TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1958

No. 180

WILLIAM L. GREENE, PETITIONER,

DS.

NEIL M. McELROY, THOMAS S. GATES, JR., AND ROBERT B. ANDERSON.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

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IN THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

Joint Appendix

AN UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

Civil Action No. 3561-54

WILLIAM L. GREENE, 429 First Street, Annapolis, Maryland, Plaintiff,

V.

CHARLES E. WILSON, ROBERT B. ANDERSON, CHARLES S. THOMAS, The Pentagon, Washington, D. C., Defendants.

Complaint for Injunction and Declaratory Judgment— Filed August 20, 1954

- 1. The value of the rights involved in this suit exceeds Three Thousand Dollars (\$3,000.00) and jurisdiction is granted to this Court by Section 305 of Title 11, District of Columbia Code (1951 edition) and by Section 1009 of Title 5, United States Code.
- 2. The plaintiff is an adult citizen and resident of the United States and of the State of Maryland.
- 3. The defendant, Charles E. Wilson, is the duly constituted, appointed, and acting Secretary of Defense of the United States. The defendant, Robert B. Anderson, is the duly appointed, constituted, and acting Assistant Secretary of Defense of the United States. The defendant, Charles S. Thomas, is the duly appointed, constituted, and acting Secretary of Navy of the United States.

- 4. From 1937 until the acts herein complained of, with the exception of a brief period when plaintiff was on leave of absence therefrom, the plaintiff was employed by Engineering and Research Corporation, a corporation doing [fol. 2] business and having its principal place of business at Riverdale, Maryland. At the time of the acts herein complained of, plaintiff was the Vice-President in charge of Engineering and General Manager of said corporation, and was earning an annual compensation of \$18,000.00 per year. At all times material herein, the plaintiff has desired to continue in the employment of his said employer, and said employer desired to retain the services of plaintiff. Plaintiff has established seniority rights in the said company.
- 5. On or about April 17, 1953, the defendant, R. B. Anderson, was the duly appointed, constituted, and acting Secretary of the Navy of the United States. At said time, purporting to act under the color of his authority as such Secretary, said defendant illegally, arbitrarily, and without just or any cause, caused to be delivered to Engineering and Research Corporation a certain letter, in words and figures as follows:

Department of the Navy Office of the Secretary Washington 25, D. C.

17 Apr 1953

My dear Mr. Wells:

I have reviewed the case history file on William Lewis Greene and have concluded that his continued access to Navy classified security information is inconsistent with the best interests of National security.

In accordance with paragrap' 4.e. of the Industrial Security Manual for Safeguarding Classified Security Information, therefore, you are requested to exclude William Lewis Greene from any part of your plants, factories or sites at which classified Navy projects are being carried out and to bar him access to all Navy classified security information.

In addition, I am referring this case to the Secretary of Defense recommending that the Industrial Employ-

ment Review Board's decision of 29 January 1952 be overruled.

Sincerely yours,

R. B. Anderson

[fol. 3], Mr. Lester A. Wells, President Engineering and Research Corporation Riverdale, Maryland

- 6. Solely as a result of said letter, and for no other reason, Engineering and Research Corporation was obliged to discharge the plaintiff from his position as hereinabove set forth. At the time of the delivery of said letter, said corporation was operating only one plant, all of which was being used in connection with the work of the corporation on military contracts, and the plaintiff could not be permitted to enter any part thereof.
- 7. The plaintiff's entire training, education, and experience has been in the field of aeronautical engineering. All employers having use for the special training and skill of the plaintiff are now, and for some tipe have been, engaged in military production. As a result, plaintiff, although qualified therefor in every respect, has been, and will in the future be, unable to obtain any employment in his chosen work solely because of the illegal and arbitrary act of defendant Anderson as above set forth.
- 8. At all times material herein, the defendant, Charles E. Wilson, has been Secretary of Defense, has been authorized to supervise the acts of the Secretary of the Navy, and has ratified the illegal and unconstitutional act herein complained of. The defendant, Charles S. Thomas, is the successor of the defendant, Robert B. Anderson, and has adopted, approved, and ratified the same and continues to act in accordance with the said arbitrary and illegal refusal of defendants of the Department of the Navy to permit the plaintiff to be employed by the said Engineering and Research Corporation. The defendants, and each of them, have in the past asserted the validity of said act, and will continue to do so unless restrained by this Court. Said assertion deprives plaintiff of his property without due

process of law, in that it prevents and hinders plaintiff from contracting with reference to his employment.

- 9. The act of defendant Anderson hereinabove com-[fol. 4] plained of is illegal, arbitrary, and void, for each of the following reasons:
- (a) There is not now, and has never been, just, or any cause, to declare plaintiff's employment inconsistent with the best interests of national security.
- (b) The defendants are without statutory authority to require the exclusion of plaintiff from the plant of Engineering and Research Corporation, or of any other person.
- (c) Authority, if any, to exclude plaintiff, or any other person, from defense facilities is, by virtue of Secs. 781-798, Title 50, United States Code, vested exclusively in the Subversive Activities Control Board. Plaintiff has not done any act by reason of which said Board could lawfully order his exclusion from defense facilities.
- (d) No statement of the reasons for said action was served upon or otherwise delivered to the plaintiff, except as hereinafter stated in Paragraph 14 of this complaint.
- (e) No hearing was held as required by the due process clause of the Fifth Amendment to the Constitution of the United States.
- (f) The defendants have illegally and arbitrarily inflicted punishment upon plaintiff without a judicial trial.
- (g) The defendants have illegally and arbitrarily inflicted punishment upon plaintiff for alleged acts which were not, at the time they were allegedly done, and are not now, cause for the infliction of any punishment.
- 10. Subsequent to the acts hereinabove set forth, the plaintiff demanded that reasons therefor be given to him and demanded that he be given a hearing in which his constitutionally protected rights to notice, hearing and fair determination should be observed, as required by the Fifth Amendment to the Constitution of the United States, he afforded him before his employment was terminated in

accordance with the demand of defendant Anderson. Defendant refused to afford plaintiff opportunity for notice and hearing, and continues to refuse plaintiff a hearing in which the rights guaranteed to him by the due process clause will be afforded him.

[fol. 5] 11. On or about October 28, 1953, defendant Anderson advised the plaintiff that the matter would be referred to certain subordinates of defendants purporting and pretending to act as an "Eastern Industrial Personnel Security Board," and claiming and asserting the right to determine matters relating to the employment of citizens of the United States by private individuals engaged in business. The plaintiff participated in the said hearing for the sole reason that the said proceedings purported and pretended to offer plaintiff an administrative remedy which he desired to exhaust before appealing to this Board for relief.

- 12. A copy of the procedure purporting to govern the procedure of the said Board, marked Exhibit A, is hereto attached, and by this reference made a part hereof.
- 13. All acts of the said Board were illegal, arbitrary, and void for each of the reasons set forth in Paragraph 9, subparagraphs (a), (b), (c), (f), and (g).
- 14. On April 13, 1954, plaintiff received a letter from the said Board purporting and pretending to set forth. the matters and things allegedly giving rise to the claim that the plaintiff's employment was not consistent with the best interests of national security. A copy of said letter, marked Exhibit B, is hereto attached, and by reference made a part hereof. On April 28, 29, and 30, 1954, the plaintiff appeared before the said Board, and produced testimony and evidence which completely disproved any basis for a determination that his employment was not constent with the best interests of national security. Plaintiff cannot attach a transcript of such testimony and evidence to this complaint for the reason that the said Board refuses to permit any transcript thereof to be made by any person except its own employees, and has failed, neglected, and refused to supply plaintiff with a transcript thereof.

notwithstanding its duty; under its governing regulations, so to do.

- 15. On or about May 30, 1954, said "Eastern Industrial Personnel Board" notified plaintiff of its conclusion that the act of defendant Anderson should be affirmed, and that plaintiff should be excluded from classified information.
- [fol. 6] 16. Said purported decision was illegal, arbitrary, and void for each of the reasons hereinabove set forth, and in addition thereto, for each of the following reasons:
- (a) The alleged criteria for the determination are illegal and void because they deprive plaintiff of his property without due process of law in that said criteria are vague, indefinite, and provide no basis for an objective determination based on evidence, and permit the trier of facts subjectively to speculate, and to found its determination on standards which are not, and cannot be, known to plaintiff.
- (b) The criteria deprive plaintiff of his property without due process of law in that they permit consideration of, and the founding of a determination upon, matters which have no real and substantial relation to the aim sought to be attained: the protection of the United States from espionage and sabotage.
- (c) The criteria are invalid because they deprive the plaintiff of his freedom of association and freedom of speech, in violation of the First Amendment to the Constitution of the United States.
- (d) The said regulations are unconstitutional, invalid, and void in that they purport to make membership or association with undetermined and undefined organizations or individuals, a ground for interference with the property rights of the plaintiff, without requiring that plaintiff should know, at the time of such association, if any, of the alleged illegal aims. The undisputed evidence demonstrates that, as to all of the organizations and individuals named in the letter of charges, the plaintiff was without knowledge of any illegal aims or purposes, if any there were.
- (e) There was no substantial evidence to support the determination of the Board.

- (f) In violation of the Fifth Amendment to the Constitution of the United States and of the regulations purportedly governing its procedure, the Board did not consider a transcript of the testimony presented by plaintiff at the hearing.
- (g) In violation of the Fifth Amendment to the Consti-[fel. 7] tution of the United States and of Sec. 1004, Title 5, United States Code, plaintiff was not given a proper notice of the said hearing in that the notice was not served sufficiently in advance to permit an effective defense, and further in that it did not assert all of the matters of fact and law to be considered at the said hearing.
- (h) In violation of the Vifth Amendment to the Constitution of the United States and of Sec. 1004, Title 5, United States Code, the hearing was not held before a hearing examiner appointed in accordance with laws designed to insure a hearing before a fair and impartial trier of facts,
- (i) In violation of the Fifth Amendment to the Constitution of the United States and of Sec. 1004, Title 5, United States Code, plaintiff was denied an opportunity effectively to present his defense in that the hearing board was not authorized to issue subpoenas or otherwise compel testimony in plaintiff's behalf. There were witnesses who could have offered relevant and competent testimony in behalf of plaintiff who declined to appear voluntarily at the hearing.
- (j) In violation of the Fifth Amendment to the Constitution of the United States and of Sec. 1004, Title 5, United States Code, the burden of proof was placed upon the plaintiff, and not upon the proponent of the order.
- (k) In violation of the Fifth Amendment to the Constitution of the United States, the Board had access to and considered material to which plaintiff did not have access.
- (1) In violation of the Fifth Amendment to the Constitution of the United States and of Sec. 1004, Title 5, United States Code, the decision of the Board was not based exclusively on the transcript of testimony and the exhibits.

- (m) In violation of the Fifth Amendment to the Constitution of the United States and of Sec. 1004, Title 5, United-States Code, plaintiff was not given an opportunity to confront and cross-examine witnesses against him.
- (n) In violation of the Fifth Amendment to the Consti-[fol. 8] tution of the United States and of Sec. 1004, Title 5. United States Code; plaintiff was not given an opportunity to present proposed findings, nor to record his objections to the findings.
- (o) In violation of the Fifth Amendment to the Constitution of the United States and of Sec. 1004, Title 5, United States Code, the record does not contain a statement of the findings and conclusions, and the reasons therefor, on all issues of fact and law.
- 17. Plaintiff has exhausted all administrative remedies available to him.
- 18. As a result of the said illegal, arbitrary, unjust and void actions of the defendants as aforesaid, plaintiff has been deprived of his employment, and, as of the date of filing this complaint, has suffered loss of earnings amounting to more than \$20,000.00, and will in future continue to suffer loss of earnings and other damages unless the defendants be restrained by order of this Court and unless the acts of defendants herein complained of be declared by this Court to be illegal, arbitrary, and void. Said injury and damage is irreparable and the plaintiff is without adequate or any remedy at law.

Wherefore, plaintiff demands judgment:

- (a) Declaring the acts of the defendant Anderson and all acts of the defendants in pursuance thereof, in advising plaintiff's employer that plaintiff could not be employed, llegal, null, void and of no effect;
- (b) Restraining the defendants, or any of them, and all persons in active concert and participation with them, or any of them, from doing any act in pursuance of the said illegal declaration that plaintiff is not entitled to be employed by Engineering and Research Corporation;

(c) Requiring the defendants, or such of them as may purport to have authority with respect thereto, to advise the plaintiff's employer, Engineering and Research Corporation, that the letter of April 25 signed by Robert L. Anderson, claiming and purporting to act as Secretary of the Navy, is illegal, null, void, and of no effect.

/s/ Carl W. Berueffy, Attorney for the Plaintiff.

[fol. 32]

"EXHIBIT B" TO COMPLAINT

Eastern Industrial Personnel
Security Board
45, Broadway, New York 6, N. Y.

WJS/bj Apr 9 1954

3561-54

Carl W. Berueffy 636 Wyatt Building Washington 5, D. C.

REGISTERED RETURN
RECEIPT REQUESTED

Dear Mr. Berueffy:

SUBJECT: GREENE, William L.

Further reference is made to your recent undated letter on behalf of your client, Mr. William Lewis Greene, in which you request detailed specifications of the reasons for the denial of security clearance to Mr. Greene.

A careful review of the complete file in the case of Mr. Greene, including the transcript of his hearing on 23 January 1952 before the Industrial Employment Review Board, discloses much information that appears to be within the purview of items 2, 4, 7, 8, 9, 10 and 11 of the criteria set forth in the basic directive establishing this Board. It is noted that a copy of the basic directive has previously been furnished you.

Security considerations permit disclosure of the following information that has thus far resulted in the denial of clearance to Mr. Greene:

1. During 1942 Subject was a member of the Washington Book Shop Association, an organization that has

been officially cited by the Attorney General of the United States as Communist and subversive.

- 2. Subject's first wife, Jean Hinton Greene, to whom he was married from approximately December 1942 to approximately December 1947, was an ardent Communist during the greater part of the period of the marriage.
- 3. During the period of Subject's first marriage he and his wife had many Communist publications in their [fol. 33] home, including the "Daily Worker"; "Soviet Russia Today"; "In Fact"; and Karl Marx's "Das Kapital".
- 4. Many apparently reliable witnesses have testified that during the period of Subject's first marriage his personal political sympathies were in general accord with those of his wife, in that he was sympathetic towards Russia; followed the Communist Party "line"; presented "fellow-traveller" arguments; was apparently influenced by "Jean's wild theories"; etc.
- 5. In about 1946 Subject invested approximately \$1000. in the Metropolitan Broadcasting Corporation and later became a director of its Radio Station WQQW. It has been reliably reported that many of the stockholders of the Corporation were Communists or pro-Communists and that the news coverage and radio programs of Station WQQW frequently paralleled the Communist Party "line".
- 6. On 7 April 1947 Subject and his wife Jean attended the Third Annual Dinner of the Southern Conference for Human Welfare, an organization that has been officially cited as a Communist front.
- 7. Beginning about 1942 and continuing for several years thereafter Subject maintained sympathetic as sociations with various officials of the Soviet Embassy, including Major Constantine I. Ovchinnikov, Col. Pavel F. Berezin, Major Pavel N. Asseev, Col. Ilia M. Saraev, and Col. Anatoly Y. Golkovsky.
- 8. During 1946 and 1947 Subject had frequent sympathetic association with Dr. Vaso Syrzentic of the

Yugoslav Embassy. Dr. Syrzentic has been identified as an agent of the International Communist Party.

- 9. During 1943 Subject was in contact with Col. Alexander Hess of the Czechoslovak Embassy, who has been identified as an agent of the Red Army Intelligence.
- 10. During 1946 and 1947 Subject maintained close and sympathetic association with Mr. and Mrs. Nathan [fol. 34] Gregory Silvermaster and William Ludwig Ullman. Silvermaster and Ullman have been identified as members of a Soviet Espionage Apparatus active in Washington, D. C., during the 1940's.
- 11. Subject had a series of contacts with Laughlin Currie during the period 1945-48. Currie has also been identified as a member of the Silvermaster espionage group.
- 12. During the period between 1942 and 1947 Sub-JECT maintained frequent and close associations with many Communist Party members, including Richard Sasuly and his wife Elizabeth, Bruce Waybur and his wife Miriam, Martin Popper, Madeline L. Donner, Russell Nixon and Isadore Salkind.
- 13. During substantially the same period Subject maintained close association with many persons who have been identified as strong supporters of the Communist conspiracy, including Samuel J. Rodman, Shura Lewis, Owen Lattimore, Ed Fruchtman and Virginia Gardner.

It is noted that all of the above information has previously been discussed with Mr. Greene at his hearing fore the Industrial Employment Review Board, and that a copy of the transcript of that hearing was made available to you in August of last year.

Sincerely yours,

(Signed) Robert C. Sullivan
ROBERT C. SULLIVAN
Executive Secretary

IN UNITED STATES DISTRICT COURT

AMENDED AND SUPPLEMENTAL ANSWER—Filed October 8, 1956

Let this be filed: October 8, 1956, /s/ Burnita Shelton Matthews, Judge.)

Now come the defendants, Charles E. Wilson, Secretary of Defense, Robert B. Anderson, and Charles S. Thomas, Secretary of Navy, and file their amended and supplemental answer as follows:

First Defense

- 1. Answering paragraph 1 of the complaint, defendants deny the allegations contained therein.
- 2. Answering paragraph 2 of the complaint, defendants admit the allegations contained therein.
- 3. Answering paragraph 3 of the complaint, defendants admit the allegations contained therein, except that defendants deny that Robert B. Anderson has ever served as Assistant Secretary of Defense. Defendants state that Robert B. Anderson served as Secretary of the Navy from February 4, 1953 to April 30, 1954, and as Deputy Secretary of Defense from May 3, 1954 to August 4, 1955.
- 4. Answering paragraph 4 of the complaint, defendants admit that prior to April 17, 1953 plaintiff was employed by Engineering and Research Corporation, a corporation doing business and having its principal place of business at Riverdale, Maryland. Defendants further admit that on April 17, 1953 and prior thereto plaintiff was the general manager and vice-president in charge of engineering at that company.

Further answering paragraph 4, defendants state that they are without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained therein.

5. Answering paragraph 5 of the complaint, defendants admit the allegations contained therein except that defen-

dants deny that Secretary of the Navy Robert B. Anderson "purported" to act under the color of his authority, and that any action taken herein was illegal, arbitrary, or without just or any cause.

6. Answering paragraph 6 of the complaint, defendants admit that, following the revocation of his security clear-[fol. 36] ance, plaintiff could not be permitted to have access to any part of the corporation's plant at which classified work was being performed for the Navy Department. lefendants state that, pursuant to the terms of the Security Agreement entered into between Engineering and Research. Corporation and the United States, acting through the Navy Department on June 5, 1951, and in accordance with the requirements of the Department of Defense Industrial Security Manual attached to and made a part of the Security Agreement, the Engineering and Research Corporation agreed to exclude from any part of its plants at which work for any military department was being performed any individual whom the Secretary of the military department concerned, in the interest of national security designated in writing. Copies of the Security Agreement and of the Department of the Defense Industrial Security Manual are attached hereto as defendants' exhibits A and B.

Further answering paragraph 6, defendants state that they are without knowledge or information sufficient to form a belief as to the remaining allegations contained therein.

- 7. Answering paragraph 7 of the complaint, defendants state they are without knowledge or information sufficient to form a belief as to the allegations contained therein.
- 8. Answering paragraph 8 of the complaint, defendants admit that at all material times Charles E. Wilson has been Secretary of Defense, and that defendant Charles S. Thomas is the successor of defendant Robert B. Anderson as Secretary of the Navy. Defendants further admit that all action taken herein by defendant Robert B. Anderson has been adopted approved and ratified by all and each of the defendants.

Defendants further aver that all action taken herein with respect to plaintiff was valid and legal. Defendants

state that they are without knowledge or information sufficient to form a belief as to plaintiff's employment opportunities. Defendants deny the remaining allegations of paragraph 8.

- 9. Answering paragraph 9 of the complaint, defendants deny the allegations contained therein.
- [fol. 37] 10. Answering paragraph 10 of the complaint, defendants deny the allegations contained therein except that defendants admit that by letter of September 15, 1953 addressed to defendant Robert B. Anderson plaintiff, through his counsel, requested a statement of reasons for the revocation of his security clearance and further requested that he be given a hearing. Defendants state that by letter of October 13, 1953 from the Assistant Secretary of the Navy, plaintiff's attorney was advised that plaintiff would be granted a hearing before the Eastern Industrial Personnel Security Board (defs' Ex. C).
- 11. Answering paragraph 11 of the complaint, defendants admit that by letter of October 13, 1953 J. H. Smith, Assistant Secretary of the Navy advised plaintiff's attorney that the Eastern Industrial Personnel Security Board had been requested to accept jurisdiction in plaintiff's case and to arrive at a final determination as to whether or not plaintiff may have access to classified matters of the Department of the Defense. On April 28, 29 and 30, 1954 plaintiff's hearing was held before the Eastern Industrial Personnel Security Board.

Further answering paragraph 11, defendants state that they are without knowledge or information sufficient to form a belief as to plaintiff's reason for participating in the hearing held before the Eastern Industrial Personnel Secur-

ity Board.

Except to the extent admitted or otherwise answered by the foregoing statement, defendants deny the allegations contained in paragraph 11.

12. Answering paragraph 12 of the complaint, defendants admit that exhibit A attached to the complaint is a copy of the procedure governing the Eastern Industrial Personnel Security Board, except that defendants deny

that exhibit A was the procedure "purporting" to govern said Board.

- 13. Answering paragraph 13 of the complaint, defendants deny the allegations contained therein.
- 14. Answering paragraph 14 of the complaint, defendants admit that the letter dated April 9, 1954 attached to [fol. 38] the complaint as exhibit B was sent to plaintiff's attorney by the Executive Secretary of the Eastern Industrial Personnel Security Board. Defendants further admit that on April 28, 29 and 30, 1954 plaintiff received a hearing before the Eastern Industrial Personnel Security Board, at which plaintiff appeared and testified. In addition to plaintiff's testimony the Board heard the testimony of twelve witnesses who appeared on plaintiff's behalf.

Except to the extent hereinbefore admitted defendants

deny the allegations of paragraph 14.

15. Answering paragraph 15 of the complaint, defendants admit that by letter of May 25, 1954 Engineering and Research Corporation was advised of the final decision of the Eastern Industrial Personnel Security Board, and that this decision was that the granting of clearance to plaintiff for access to classified information is not clearly

consistent with the interests of national security.

Defendants further state that under date of September 16, 1955, plaintiff's counsel requested the Industrial Personnel Review Board to make a limited review of the decision of the Eastern Industrial Personnel Security Board, and that this request was granted. Such review was limited. to determining whether the decision of the Eastern Industrial Personnel Security Board was arbitrary and capricious because wholly unsupported by the weight of the evidence, or whether the evidence before that Board provided substantial justification for its findings and decision. Under date of March 12, 1956 the Director, Office of Industrial Personnel Security Review, in a letter to plaintiff's counsel, reported the determination of the Review Board in affirming the decision of the Eastern Industrial Personnel Security Board on the ground that its decision was supported by substantial evidence. A copy of this letter is attached hereto as defendants' exhibit 'D.

- 16. Answering paragraph 16 of the complaint, defendants deny the allegations contained therein except that defendants admit that no witnesses were called to appear on behalf of the Government at the hearing before the Eastern Industrial Personnel Security Board and that the Eastern Industrial Personnel Security Board in making its [fol. 39] final decision took into consideration the whole file in the case which includes confidential information, neither the content nor the source of which has been revealed to the plaintiff.
- 17. Answering paragraph 17 of the complaint, defendants admit the allegations contained therein.
- 18. Answering paragraph 18 of the complaint, defendants state that they are without knowledge or information sufficient to form a belief as to plaintiff's employment situation or earning capacity. Defendants deny the remaining allegations of paragraph 18.

Additional Defenses

Second Defense

The complaint fails to state a claim against defendants upon which relief may be granted.

Third Defense

The complaint should be dismissed for the reason that the court lacks jurisdiction over the subject matter.

Fourth Defense

The actions of the defendants complained of herein were in compliance with the Constitution, laws of the United States, Security Agreement, and applicable regulations.

Wherefore, defendants demand judgment together with the costs of this suit.

/s/ George Cochran Doub, Assistant Attorney General, /s/ Edward H. Hickey, /s/ Donald B. Mac-Guineas, /s/ Beatrice M. Rosenhain, Attorneys, Department of Justice.

10/5/56—No objection.

/s/ Carl W. Berueffy, Attorney for Plaintiff.

[fol. 40]

EXHIBIT A TO AMENDED AND SUPPLEMENTAL ANSWER

Department of Defense

SECURITY AGREEMENT

THIS AGREEMENT, entered into this 5th day of June, 1951 by and between The United States of America through the Department of Navy acting for the Department of Defense (hereinafter called the Government) and (i) Engineering & Research Corporation, a corporation organized and existing under the laws of the State of Maryland (ii) a partnership consisting of

(iii) an individual trading as

with its principal office and place of business in the City of Riverdale State of Maryland (hereinafter called the Contractor), WITNESSETH THAT:

Whereas, the Government, through the Department of the Army, the Department of the Navy and/or the Department of the Air Force, has in the past purchased or may in the future purchase from the Contractor supplies or services which are required and necessary to the national defense of the United States; or may invite bids or request quotations on proposed contracts for the purchase of supplies or services which are required and necessary to the national defense of the United States; and

Whereas, it is essential that certain security measures be taken by the Contractor prior to and after his being accorded access to classified matter; and

Whereas, the parties desire to define and set forth the precautions and specific safeguards to be taken by the Contractor and the Government in order to preserve and maintain the security of the United States through the prevention of improper disclosure of information derived from matters affecting the national defense; sabotage; or any other act detrimental to the security of the United States:

Now, Therefore, in consideration of the foregoing and of the mutual promises herein contained, the parties hereto agree as follows:

[fol. 41] Section I—Security Controls

- (A) The Contractor agrees to provide and maintain a system of security controls within its or his own organization in accordance with the requirements of the Department of Defense Industrial Security Manual attached hereto and made a part of this agreement, subject, however, (i) to any revisions of the Manual required by the demands of national security as determined by the Government, notice of which has been furnished to the contractor, and (ii) to mutual agreements entered into by the Parties in order to adopt the Manual to the Contractor's business and necessary procedures thereunder. In order to place in effect such security controls, the Contractor further agrees to prepare Standard Practice Procedures. for its or his own use, such procedures to be consistent with the Department of Defense Industrial Security Manual. In the event of any inconsistency between the Contractor's Standard Practice Procedures and the Department of Defense Industrial Security Manual as the same may be revised, the Manual shall control.
- (B) The Government agrees that it shall indicate when necessary by classification (Top Secret, Secret, Confidential, or Restricted), the degree of importance to the national defense of information pertaining to supplies, services and other matters to be furnished by the Contractor to the Government or the Government to the Contractor. and the Government shall give written notice of such classification to the Contractor and of any subsequent changes thereof; provided, however, that matters requiring classification will be assigned the least restrictive classification consistent with proper safeguarding of the matter concerned since over-classification causes unnecessary operational delays and depreciates the importance of correctly classified matter. The Contractor is authorized to rely on any letter or other written instrument signed by the contracting officer changing the classification of matter. The Government also agrees upon written application of the Contractor to designate employees of the Contractor who may have access to matter classified Top Secret or Secret; and alien employees to have access to any classified matter, [fol. 42] or in the case of contracts for furnishing or con-

structing aircraft, aircraft parts, or aeronautical accessories, to have access to the plans or specifications, or to the work under construction, or to participate in the contract trials, whether such aeronautical contracts are classified or not.

(C) The Contractor agrees that it or he shall determine that any sub-contractor, sub-bidder, individual, or organization proposed by it or him for the furnishing of supplies or services which will involve access to classified matter in its or his custody has executed a Department of Defense Security Agreement which is still in effect, with any Military Department, prior to being accorded access to such classified matter.

SECTION II—INSPECTION .

Designated representatives of the Government responsible for inspection pertaining to industrial plant security shall have the right to inspect at reasonable intervals the procedures, methods, and facilities utilized by the Contractor in complying with the requirements of the terms and conditions of the Department of Defense Industrial Security Manual. Should the Government, through its authorized representatives, determine that the Contractor's security methods, procedures, or facilities do not comply with such requirements, it shall submit a written report to the Contractor advising him of the deficiencies.

SECTION III-MODIFICATION

Modification of this security agreement (as distinguished from the Industrial Security Manual, which may be modified in accordance with Section 1 of this agreement) may be made only by written agreement of the parties hereto.

SECTION IV-TERMINATION

This agreement shall remain in effect until terminated through the giving of 30 days written notice to the other party of intention to terminate; provided, however, not withstanding any such termination, the terms and conditions of this agreement shall continue in effect so long as the contractor has classified matter in his possession or [fol. 43] under his control.

SECTION V-PRIOR SECURITY AGREEMENTS

As of the date hereof, this security agreement replaces and succeeds any and all prior security or secrecy agreements, understandings and representations with respect to the subject matter included herein, entered into between the Contractor and the Department of the Army, the Department of the Navy and/or the Department of the Air Force, provided, that the term "security or secrecy agreements, understandings and representations" shall and include agreements, understandings and representations contained in contracts for the furnishing of supplies or services to the Government heretofore entered into between the Contractor and the Department of the Army, the Department of the Navy and/or the Department of the Air Force.

SECTION VI—SECURITY COSTS

This agreement does not obligate Government funds, and the Government shall not be liable for any costs or claims of the Contractor arising out of this agreement or instructions issued hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written:

THE UNITED STATES OF AMERICA

By (Signed) C. S. Alexander
C. S. ALEXANDER

Bureau of Aeronautics Representative, Balto. Authorized Representative of the Government

(Corporation)

By L. A. Wells
L. A. Wells
Engineering & Research Cor

Engineering & Research Corporation (firm)

President

(Title)

Riverdale, Maryland (address)

Witness

Note—In case of corporation, witnesses not required but certificate below must be completed. Type or print names under all signatures.

[fol. 44] Note—Contractor, if a corporation, should cause the following certificate to be executed under its corporate seal, provided that the same officer shall not execute both the agreement and the certificate.

CERTIFICATE

I, Wm. G. Carroll certify that I am the Assistant Secretary of the corporation named as Contractor herein; that L. A. Wells who signed this agreement on behalf of the Contractor, was then President of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

(Corporate Seal)

Wm. G. Carroll Signature

[fol. 62]

EXHIBIT C TO AMENDED AND SUPPLEMENTAL ANSWER

Department of the Navy
Office of the Secretary
Washington 25, D. C.

Op-321B/bmh Ser 17879P32

13 Oct 1953

My dear Mr. Berueffy:

I refer to your letter of September 15, 1953, in which you requested that I reconsider my order of April 17, 1953, denying Mr. William Lewis Greene access to Navy classified, matter or alternatively, that Mr. Greene be granted a hearing.

I have requested the Eastern Industrial Personnel Security Board, whose address is: Headquarters First Army, Governors Island, New York 4, New York, to accept jurisdiction in this case and arrive at a final determination as to whether or not Mr. Greene may have access to classified matter of the Department of Defense.

Any additional information you desire in connection with Mr. Greene's case should be obtained from the Eastern Industrial Personnel Security Board.

J. H. SMITH, JR. Assistant Secretary of the Navy for Air

Mr. Carl W. Berueffy Suite 510 Arlington Building 1025 Vermont Avenue, N. W. Washington 5, D. C.

Copy to:
EIPSB
SEC Air Force
SEC ARMY
IO-PRNC
BUAER
BUORD
BUSHIPS
ONR
ONM (Code M51)

[fol. 62-A]

DIO-3ND

EXHIBIT "D" TO AMENDED AND SUPPLEMENTAL ANSWER

OFFICE OF THE SECRETARY OF DEFENSE WASHINGTON 25, D. C.

March 12, 1956

Mr. Carl W. Berueffy 636 Wyatt Building Washington 5, D. C.

Dear Mr. Berueffy:

By letter, dated September. 16, 1955, you requested the Industrial Personnel Security Review Board to make a limited review, under the provisions of Paragraph 24, DOD Directive No. 5220.6, entitled: "Industrial Personnel Security Review Regulation," dated February 2, 1955, of the case of your client, Mr. William Greene, Permission was also requested to submit a Brief and supporting affidavits

to be considered in review. These documents were filed with the Review Board on November 1/1955.

After a review of all the information in the case, including the Brief submitted by you in Mr. Greene's behalf and the affidavits attached thereto, and after considering a signed statement obtained from Mr. Henry A. Berliner on December 21, 1955, a copy of which was furnished to you, the Review Board has entered its determination in this matter. This determination, which affirms the decision of the Eastern Industrial Personnel Security Board entered on May 10, 1954, is that, on all the evidence, Mr. Greene's access to classified information is not clearly consistent with the interests of national security.

In reaching this determination, the Review Board reviewed the findings of the Eastern Industrial Personnel Security Board in accordance with its mandate under the above regulation, and determined that there was substantial support for said findings in the evidence and other material before the Review Board.

The findings of the Appeal Division, Eastern Industrial Personnel Security Board included, among other things, the following:

- [fol. 62-B] 1. That during the period from 1942 to 1947, knowing of their activity on behalf of the Communist Party and sympathizing with it, Mr. Greene associated closely with his ex-wife, Jean Hinton, Mr. and Mrs. Richard Sasuly, Mr. and Mrs. Bruce Waybur, Martin Popper, Russell Nixon, Isadore Salkin, Shura Lewis, and Samuel J. Rodman, all of whom were members of the Communist Party or active in its behalf.
- 2. That in 1946 and 1947, knowing of their sympathy for the Communist Party, Mr. Greene associated closely with Mr. and Mrs. Nathan Gregory Silvermaster, William Ludwig Ullman, and Lauchlin Curry, all of whom have engaged in espionage on behalf of the Soviet Union.
- 3. That for a number of years beginning in 1942, Mr. Greene maintained a sympathetic association with a number of officials of the Soviet Embassy, as set out in the Statement of Reasons furnished to him.

- 4. That from 1942 to 1947 Mr. Greene's political views were similar to, and in basic accord with, those of his exwife, Jean Hinton.
- 5. That Mr. Greene was a member of the Washington Book Shop Association; invested money in and became a director of the Metropolitan Broadcasting Corporation; attended a function of the Southern Conference of Human Welfare; and had in his home a number of Communist publications as set out in the Statement of Reasons furnished to him.

6. That Mr. Greene's credibility as a witness in the proceedings before it was doubtful.

In reaching its determination in this case, the Review Board concluded, on the basis of the above findings, that Mr. Greene had been in close contact with a number of individuals who were either trusted officials of the Soviet Union or members of the Communist Party actively engaged in its work; that these associations were undertaken and continued with knowledge of the sympathies and activities of these individuals; and that he has been sympathetic lowerds the Communist Party and the Communist movement.

[fol. 62-C] In addition, the Appeal Division, Eastern Industrial Personnel Security Board, had strong doubts as to Mr. Greene's credibility as a witness. These doubts were shared by the Review Board. This lack of credibility goes to the heart of the concept of trustworthiness, upon which all security clearances ultimately rest.

Longstanding policy has dictated that only those persons who are determined to be trustworthy shall have access to classified information (For the latest expression see EO 10501). The Review Board found that such a determination could not be made in Mr. Greene's case, and, therefore, that the decision of the Appeal Division, Eastern Industrial Personnel Security Hearing Board, must stand.

Yours very truly,

/s/ Jerome D. Fenton Director

Office of Industrial Personnel Security Review

Answer-Filed December 21, 1954

First Defense

The complaint fails to state a claim upon which relief may be granted.

Second Defense

Answering the numbered paragraphs of the complaint, defendants aver as follows:

- 1. Defendants are not required to answer the allegations contained in paragraph 1.
 - 2. and 3. Admitted.
- 4. Defendants admit that for some time prior to the acts complained of herein, plaintiff was employed by Engineering and Research Corporation and that he was a vice-president of that corporation. Defendants are without knowledge or information sufficient to form a belief as to the truth of the remaining allegations of paragraph 4. [fol. 62-D] 5. Defendants admit that R. B. Anderson, then Secretary of the Navy sent the letter set forth in Paragraph 5 and deny the remaining allegations of that paragraph.
- 6. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 6.
- 7. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 7.
- 8. Defendants admit that Charles E. Wilson, is the successor of defendant Bebert B. Anderson, as Secretary of Defense. Defendants aver that all actions taken with respect to plaintiff's security clearance were proper and legal. Defendants deny the remaining allegations of para[fol. 63] graph 8.
- 9. The allegations contained in paragraph 9 are conclusions which defendants are required neither to admit nor deny, but insofar as they are material they are denied.

10. Denied.

11. Defendants admit and aver that plaintiff was given a full hearing before the Eastern Industrial Personnel Security Board. The remaining allegations of paragraph 11 are denied except that defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in the last sentence thereof.

12. Admitted.

- 13. The allegations contained in paragraph 13 are conclusions which defendants are required neither to admit nor deny, but insofar as they are material, they are denied.
- 14. Defendants admit that the letter dated April 9, 1954, attached to plaintiff's complaint as Exhibit B, was sent to plaintiff, and that a hearing was held on April 28, 29, and 30, 1954. The remaining allegations of paragraph 14 are denied.
- 15. Defendants admit that on May 25, 1954 plaintiff was informed that the Eastern Industrial Personnel Security Board had determined that the granting of clearance to him for access to classified information is not clearly consistent with the interests of national security.
- 16. The allegations contained in paragraph 16 are conclusions which defendants are required neither to admit nor deny but insofar as material, they are denied.
- 17. Denied in that plaintiff was allowed under the regulations to make a motion for reconsideration.
- 18. Defendants deny taking any illegal, arbitrary, unjust or void actions or that plaintiff has suffered irreparable injury and is without adequate remedy at law. Defendants are without knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 18.

[fol. 64] Third Defense

The complaint should be dismissed for the reason that the Court lacks jurisdiction over the subject matter.

Fourth Defense

The complaint should be dismissed for the reason that this is a suit against the United States to which it has not given its consent.

Fifth Defense

The complaint should be dismissed for the reason that plaintiff has failed to name the members of the Eastern Industrial Personnel Security Board, indispensable parties to this action.

Wherefore, defendants demand judgment together with the costs of this suit.

/s/ Leo A. Rover, United States Attorney, /s/ Oliver Gasch, Assistant United States Attorney, /s/ Frank H. Strickler, Assistant United States Attorney, /s/ Catherine B. Kelly, Assistant United States Attorney.

(Certificate of Service)

STIPULATION OF FACTS—Filed October 10, 1956

It is hereby stipulated by and between the parties to the above entitled action, as follows:

- 1. The plaintiff is an adult citizen and resident of the United States and of the State of Maryland. The defendant, Charles E. Wilson, is Secretary of Defense; the defendant, Robert B. Anderson, served as Secretary of the Navy from February 4, 1953, to April 30, 1954, and as Deputy Secretary of Defense from May 3, 1954, to August 4, 1955; the defendant, Charles S. Thomas, is Secretary of the Navy.
- [fol. 65] 2. Engineering & Research Corporation was at all material times a corporation doing business and having its principal place of business, and only plant, at Riverdale, Maryland. On April 17, 1953, and prior thereto, plaintiff was the General Manager and Vice President in charge of Engineering at that company.

- 3. The plaintiff was given a Confidential clearance by the Army on August 9, 1949, a Top Secret clearance by the Assistant Chief of Staff G-2, Military District of Washington on November 9, 1949, and a Top Secret clearance by the Air Materiel Command on February 3, 1950.
- 4. Under date of June 5, 1951, the United States, acting through the Navy Department, entered into a security agreement with Engineering and Research Corporation. A copy of this security agreement appears in the record as Exhibit A to the Amended Answer. A copy of Defense Department Industrial Security Manual incorporated by reference in said contract is attached to the Amended Answer as Exhibit B. During April, 1953, the Navy Department and Engineering and Research Corporation were parties to classified procurement contracts, including Contracts NOas 52-552-i, NOas 53-306-c, and NOas 53-290-c. All of such classified procurement contracts incorporated by reference the aforesaid Industrial Security Manual, including Paragraph 4e thereof.
- 5. On November 20, 1951, the Army-Navy-Air Force Personnel Security Board wrote Engineering and Research Corporation the letter which is attached hereto as Exhibit 1.
- 6. On November 28, 1951, L. A. Wells, President of Engineering and Research Corporation wrote the Department of Defense the letter which is attached hereto as Exhibit 2.
- 7. On December 11, 1951, the Army-Navy-Air Force Personnel Security Board sent plaintiff the letter, a copy of which is attached hereto as Exhibit 3.
- 8. On December 11, 1951, the Army-Navy-Air Force Personnel Security Board sent Engineering and Research Cor-[fol. 66] poration the letter, a copy of which is attached hereto as Exhibit 4.
- 9. On January 8, 1952, the Executive Officer, Industrial Employment Review Board, Lieut. Col. Donald F. Mare, U.S.A.F., wrote to the plaintiff the letter, a copy of which is attached hereto as Exhibit 5.
- 10. At the request of plaintiff and his employer, the proceedings referred to in Exhibit 5 were actually held Janu-

ary 23, 1952. A copy of a transcript of said proceedings is attached hereto as Exhibit 6. Said transcript was prepared by the Department of Defense and furnished to plaintiff.

- 11. The determination of the Industrial Employment Review Board was communicated to Engineering and Research Corporation by a letter dated January 29, 1952, a copy of which is hereto attached as Exhibit 7.
- 12. A document dated March 27, 1953, was issued by the defendant, Charles E. Wilson, Secretary of Defense. A copy of this document is hereto attached as Exhibit 8. A copy of the Industrial Personnel and Facility Security Directive is attached to the complaint as Exhibit A.
- 13. On or about April 17, 1953, Robert B. Anderson sent the letter set forth in Paragraph 5 of the complaint herein.
- 14. Prior to the letter of April 17, 1953, referred to in Paragraph 13, no communication of any kind relating to the action of Robert B. Anderson was sent to the plaintiff and his employer, and except as herein set forth, there was no direct communication between the Department of Defense and the plaintiff.
- 15. On April 24, 1953, in reponse to Robert B. Anderson's letter of April 17, 1953, L. A. Wells wrote Secretary Anderson the letter, a copy of which is attached hereto as Exhibit 9.
- 16. On June 13, 1953, Robert B. Anderson wrote L. A. Wells the letter, a copy of which is attached hereto as Exhibit 10.
- 17. On September 15, 1953, the plaintiff through his counsel, sent a letter to defendant Robert B. Anderson, a copy of which is attached hereto as Exhibit 11.
- 18. On October 13, 1953, in response to the letter referred to in paragraph 17, J. H. Smith, Assistant Secretary of the [fol. 67] Navy for Air, sent a letter to plaintiff's counsel. A copy of this letter is attached to Defendants' Amended Answer as Exhibit C.
- 19. On or about March 20, 1954, the plaintiff, through his counsel, sent the Eastern Industrial Personnel Security

Board, a letter which was inadvertently not dated, a copy of which is hereto attached as Exhibit 12, and to which Robert C. Sullivan, Executive Secretary of the Eastern Industrial Personnel Security Board, replied in a letter dated March 31, 1954, a copy of which is hereto attached as Exhibit 13. A subsequent letter dated April 9, 1954, is correctly set forth as Exhibit B to the plaintiff's complaint.

- 20. On April 28, 29, and 30, 1954, a proceeding was held before the Eastern Industrial Personnel Security Board. Plaintiff appeared and was represented by counsel. In addition to plaintiff's testimony, twelve persons appeared and testified on behalf of the plaintiff. No witnesses were called to appear on behalf of the government. A transcript of said proceedings was prepared by employees of the Department of Defense in accordance with the Industrial Personnel and Facility Security Directive above referred to. A copy of such transcript was furnished to the plaintiff after the institution of this suit, and a copy of such transcript furnished to the plaintiff is attached hereto as Exhibit 14.
- 21. On May 25, 1954, said board advised plaintiff's employer of its decision in a letter, a copy of which is hereto attached as Exhibit 15. A letter setting forth the determination of the board was sent to plaintiff under date of May 28, 1954. A copy of this letter is attached as Exhibit 16.
- 22. On June 4, 1954, plaintiff's counsel sent a letter to said board, a copy of which is attached hereto as Exhibit 17, and the board responded thereto in a letter dated June 9, 1954, a copy of which is hereto attached as Exhibit 18.
- 23. In making its decision, the Eastern Industrial Personnel Security Board took into consideration the whole file of the case which includes information, neither the content, [fol. 68] nor source of which has been revealed to plaintiff.
- 24. Under date of September 16, 1955, counsel for plaintiff addressed a letter to the Department of Defense, a copy of which is hereto attached as Exhibit 19.
- 25. A copy of Defense Directive No. 5220.6, "Industrial Personnel Security Review Regulation", is attached hereto as Exhibit 20.

- 26. Under date of March 12, 1956, the Department of Defense sent to plaintiff's counsel a letter, a copy of which is attached to Defendants' Amended Answer as Exhibit D.
- 27. On March 13, 1956, plaintiff's counsel sent the letter, a copy of which is attached hereto as Exhibit 21, and in response thereto received a letter, a copy of which is hereto attached as Exhibit 22.
- 28. Nothing in this stipulation shall be taken or construed to prevent any party to this action from filing affidavits in support of or in opposition to a motion for summary judgment, which affidavits shall have the full force and effects of affidavits provided for in Rule 56(c) of the Federal Rules of Civil Procedure.

/s/ George Cochran Doub, Assistant Attorney General, * * Attorneys for Defendants.

/s/ Carl W. Berueffy, Attorney for Plaintiff

EXHIBIT 1 TO STIPULATION

20 November 1951

Engineering & Research Corporation Riverdale; Maryland CA-3561-54

Attention: Security Officer

Gentlemen:

This is to notify you that the Army-Navy-Air Force Personnel Security Board recently received information from the Department of the Navy concerning your firm.

[fol. 69] Based on information now available to it, the Board has tentatively decided that consent for access to classified Department of Defense contracts must be denied and your clearance granted by the Department of the Army on 9 August 1949 and your clearance granted by the Department of the Air Force on 20 September 1946 must be revoked because of a tentative action by the Board to deny Mr. William Lewis Greene access to all classified Department of Defense information and to revoke his clearance for security reasons.

Before the Board reaches a final determination in your case, it desires to give you an opportunity to submit, in writing, any information you desire, to explain or refute the information set forth above. Such information may be in the form of letters, statements, or affidavits and must be mailed to the Board within ten days of the receipt of this letter by you.

In the event of your failure to submit such information, the Board will make a decision based on the information available to it, without prejudice to your right of subsequent appeal to the Industrial Employment Review Board

in case of an adverse decision.

You are further informed that y in have no right to appear before this Board either in person or be represented by counsel.

You will be notified of the final decision of this Board. If the decision is adverse, you will be advised of your right to appeal to the Industrial Employment Review Board, before whom you may appear in person and/or be represented by counsel.

Sincerely yours,
VICTOR W. PHELPS
Colonel, MPC
Army Member

[fol. 70]

· EXHIBIT 2 TO STIPULATION

CA 3561-54

November 28, 1951

Department of Defense Army-Navy-Air Force Personnel Security Board c/o Office of the Provost Marshal General Washington 25, D. C.

Gentlemen:

This is in reference to your letters of November 20 addressed to Mr. William Lewis Greene and to the Engineering and Research Corporation, temporarily denying security

clearance to both, as a result of question as to Mr. Greene

as a security risk.

In order to clear the situation, insofar as the Engineering and Research Corporation is concerned, Mr. Greene has left the company on extended furlough. His leaving denies to the Corporation the services of an outstanding engineer and administrative executive. Therefore it is of the utmost importance to us that this matter be settled as soon as possible.

It is my honest opinion that any question as to Mr. Greene's loyalty to the Government of the United States, or as to his discretion in the handling of matters pertaining

to its security and safety, cannot be substantiated.

I have known Mr. Greene since May, 1937. He was then just graduated from New York University and entered the employ of this company as a junior engineer. I have personally watched him progress, through initiative and ability, to the position he has just left. During these years I have known him intimately, and associated with him constantly. In all this time he has never by word or action, indicated anything which would lead anyone to believe he was anything but a loyal and discreet United States citizen.

After his first marriage, it became apparent that Mr. Greene was unhappy. Our relations were such that he confided in me that his marital troubles were a result of dis[fol. 71] agreement with social and political views held by his wife, and annoyance at the type of people she chose as friends. It was inevitable, of course, that Mr. Greene's objections to these people and their views would lead to divorce. Since his divorce he has expressed himself to me as being glad to be rid of his former wife's friends and associates. To the best of my knowledge and belief he has had no contact with them since.

It occurs to me at this time that anyone who had any ideas of dealing in any manner with Communists would not, as has Mr. Greene, been so open and aboveboard about his difficulties with his wife and her friends; also, that anyone who had been so exposed to the Communist Line, and had, by reason of such pressure, divorced his wife, would be a better risk than a person who had never had such a decision to make.

As above stated, this matter is of the utmost importance to this company, and I again urge that prompt determination be made so that we may decide our course of action for the immediate future.

Yours very truly

Engineering and Research Corporation

By /s/ L. A. Wells President

EXHIBIT 3 TO STIPULATION

Mr. William Lewis Greene 813 Midland Road Paint Branch Farms Silver Springs, Maryland

CA 3561-54

11 Dec. 1951

Dear Mr. Greene:

Reference is made to the letter dated 20 November 1951 addressed to you by the Army-Navy-Air Force Personnel Security Board in which it was stated that the Board had been requested to consider the granting of consent for your employment on or access to classified Army, Navy, or Air [fol. 72] Force contract work or information at Engineering & Research Corporation.

On 6 December 1951 the Army-Navy-Air Force Personnel Security Board, after full consideration of all the records and other information available to it, decided that access by you to contract work and information as specified above would be inimical to the best interests of the United States and you are hereby notified that consent for your employment on or access to Top Secret, Secret, Confidential and Restricted contract work and information of the Army, Navy, or Air Force is denied to you and your Top Secret clearances granted by Air Materiel Command and A C of S, G-2, Military District of Washington, dated 3 February 1950 and 9 November 1949 respectively and your Con-

fidential clearance granted by Intelligence Department of

the Army on 9 August 1949 must be revoked.

You are further notified that you have the right to appeal the decision of the Board should you so desire. If you desire to make this appeal you must file a written request for a review of your case with the Chairman, Industrial Employment Review Board, Munitions Board, Room 2E 832 National Defense Building, Washington 25, D. C. This request must be filed by (1) you, (2) your labor union, (3) your employer, (4) an attorney or other authorized representative of yourself, your union, or your employer.

There are two types of review that are available: (1) review of the record, which may include affidavits, documents, or other data that you may wish to submit pertinent to your suitability for employment in connection with classified Army, Navy, or Air Force contracts; (2) review of the record together with your personal appearance and hearing before the Industrial Employment Review Board, with or without counsel and witnesses of your selection. You are requested to indicate your preference when you submit your appeal.

Failure to file your appeal within thirty days of receipt of this letter will serve to compromise any claim you may [fol. 73] make for reimbursement in the event that the decision of the Army-Navy-Air Force Personnel. Security Board is reversed by the Industrial Employment Review

Board.

Sincerely yours,
VICTOR W. PHELPS
Colonel, MPC
Army Member

EXHIBIT 4 TO STIPULATION

Engineering & Research Corporation Riverdale, Maryland CA-3561-54 11 Dec. 1951

Attention: Security Officer

Gentlemen:

This is to notify you that a request for your employment of Mr. William Lewis Greene on classified Army, Navy, or Air Force contracts has been referred to the Army-Navy-

Air Force Personnel Security Board for decision.

On 6 December 1951 the Board decided that access by Mr. Greene to Department of Defense contract work and information classified Top Secret, Secret, Confidential, or Restricted would be inimical to the best interest of the United States for security reasons. The Board therefore directed that consent for Mr. Greene's employment as specified above be denied and his Top Secret clearances granted by Air Materiel Command and A C of S, G-2, Military District of Washington on 3 February 1950 and 9 November 1949 respectively and his Confidential clearance granted by the Intelligence Department of the Army on 9 August 1949 must be revoked.

Mr. Greene will receive direct notification of this denial. He will also be informed of his right to appeal this decision [fol. 74] if he so desires and of the proper procedures for

making an appeal.

Sincerely yours,
VICTOR W. PHELPS
Colonel, MPC
Army Member

MBPIE

CA 3561-54

Dear Mr. Greene:

Reference is made to your requester the Industrial Employment Review Board for a hearing to review a denial of consent by the Army-Navy-Air Force Personnel Security Board on 6 December 1951 of your employment on classified military information and/or material with Engineering and Research Corporation.

The file in your case has been certified to this Board by a the Army-Navy-Air Force Personnel Security Board. Access to classified information of the Department of Defense

has been denied you on the following grounds.

That ever a period of years, 1943-1947, at or near Washington, D. C., you have closely and sympathetically associated with persons who are reported to be or to have been members of the Communist Party; that during the period 1944-1947 you entertained and were visited at your home by military representatives of the Russian Embassy, Washington, D. C.; that, further, you attended social functions during the period 1944-1947 at the Russian Embassy, Washington, D. C.; and on 7 April 1947 attended the Southern Conference for Human Welfare, Third Annual Dinner, Statler Hotel, Washington, D. C. (Cited as Communist Front organization, Congressional Committee on Un-American Activities.)

[fol. 75] The foregoing and all the investigative material in your case file, when considered in connection with the duties of your position at the Engineering and Research Corporation, Riverdale, Maryland, indicate that you might voluntarily or involuntarily act against the security interests of the United States, and that your employment in that position might constitute a danger to national security.

It is noted that you desire to appear personally before the Industrial Employment Review Board. A hearing date has been scheduled for you before this Board as follows:

Monday, 11 February 1952, at 10:00 A.M. Room 2E-836, National Defense Bldg. (Pentagon) Washington, D. C.

At the time of your hearing you may appear personally, with or without counsel and witnesses, and present all evidence, documentary or otherwise, concerning your suitability for access to classified military information. In the event you or your personal representative cannot appear at the scheduled hearing, it is requested that you notify this office accordingly.

It is requested that you confirm to this office the above

hearing date on or before 25 January 1952.

Singerely yours,

Dowald Mare
Lt. Colonel, USAF
Executive Officer
Industrial Employment Review.
Board

Mr. William L. Greene 813 Midland Road Paint Branch Farm Silver Spring, Md.

Enclosures--3

- 1. Charter
- 2. Criteria
- 3. Procedures

Registered Mail Return Receipt Requested

LtColMare/imw/54509/1/8/52/2E 836

EXHIBIT 6 TO STIPULATION

PROCEEDINGS

Before The

INDUSTRIAL EMPLOYMENT REVIEW BOARD

10:01 A. M., EST
23 January 1952
2E-832, National Defense Building
The Pentagon
Washington 25, D. C.

Chairman: The Board will come to order at 10:01 A. M. For the record, the Board members present are: Captain Shane, representing the Navy; Colonel Rounds, representing the Army; Colonel MacKenzie, representing the Air Force; and I am J. T. Mason, representing the Munitions Board. We also have with us Lieutenant Colonel Mare who is our Executive Officer.

The Board is ready to proceed with the appeal hearing of William Lewis Greene, who was denied by the Army-Navy-Air Force Personnel Security Board on the 6th of December 1951.

It is customary at this time to read an explanatory state-

ment to the Appellant.

The Industrial Employment Review Board will proceed with the hearing with the understanding that any classified military information that may, inadvertently or otherwise, be referred to during this proceeding will not be communicated by anyone present to any other persons. The Chairman of the Board, prior to adjournment, will designate what, if any, classified information has been so mentioned in the record. Only such information as may tend to affect the national security, or compromise investigative sources or methods, is referred to here.

For your information, classified matter is information or material in any form or of any nature which in the public interest must be safeguarded in the manner and to the extent required by its importance. The Board desires

to explain to the Appellant that it is necessary to take [fol. 77] careful precautions to safeguard classified military information and contract work. Consistent with that necessity, and after adequate investigation, officials charged with the responsibility for safeguarding such information may require that any person considered to be a security risk be denied access to the same. It is realized that this procedure may work hardship and injustice in some cases. It is for this reason that an opportunity for an impartial review is afforded persons who have been denied access to classified military information.

The Industrial Employment Review Board is charged with the mission of administering these reviews. Upon your request an appeal to this Board has been granted. Your appearance here, therefore, is entirely voluntary on

your part.

It is desired that you understand that this is not a judicial proceeding, nor a quasi-judicial proceeding. It is not a criminal trial. No criminal charge of any kind has been made against you. The sole object of this hearing, which you have requested, is to give you an opportunity to present all information which you wish the Industrial Employment Review Board to consider before making a decision in your case.

Also, it is appropriate that the Board inform you that access to the government's classified material is not a civil right that can be demanded by a citizen as a right inherent in citizenship, but that such access is a privilege which may either be granted or denied, and if granted, it may be revoked, by the government. The Federal government has the right to prescribe the qualifications of its own employees, as well as employees of private contractors who will have access to government classified information. It becomes your responsibility, therefore, to convince the Industrial Employment Review Board that no doubt exists in your case, and that it should declare you eligible for access to classified military information.

During the course of this proceeding, you will be given an opportunity to clarify any of your acts, statements, or associations which may have furnished a basis for questioning your suitability for access to classified military... [fol. 78] information. You may present witnesses to speak in your behalf. You will also be permitted to submit affidavits, and any other written information, which you may wish the Board to consider. Certain questions will be asked you by the Board in order to assist you in developing pertinent information. In this regard, I wish again to remind you that your presence here is entirely voluntary. You may refuse to answer questions asked, without giving reasons for your refusal, or you may explain why you refuse to answer. In this hearing, strict conformity to the usual rules of evidence will not be required. Reasonable bounds of relevancy, competency, and materiality will be maintained.

TESTIMONY OF WILLIAM LEWIS GREENE

You will be required to testify under oath. Do you desire to be sworn, Mr. Greene?

Appellant: Yes, I do.

Chairman: Do you solemnly swear that the testimony which you shall give in this proceeding will be the truth, the whole truth, and nothing but the truth, so help you God?

- Appellant: I do.

Chairman: On the 8th of January 1952, a letter was sent to you which was signed by the Executive Officer of the Board, in which it was stated that:

"The file in your case has been certified to this Board by the Army-Navy-Air Force Personnel Security Board. Access to classified information of the Department of Defense has been denied you on the following grounds:

"That over a period of years, 1943-1947, at or near Washington, D. C., you have closely and sympathetically associated with persons who are reported to be or to have been members of the Communist Party; that during the period 1944-1947 you entertained and were visited at your home by military representatives of the Russian Embassy, Washington, D. C.; that, further, you attended social functions during the period 1944-1947 at the Russian

[fol. 79] Embassy, Washington, D. C.; and on 7 April 1947 attended the Southern Conference for Human Welfare, Third Annual Dinner, Statler Hotel, Washington, D. C. (Cited as Communist Front organization, Congressional Committee on Un-American Activities.)"

Chairman: Did you receive that letter, Mr. Greene?

Appellant: Yes, sir.

Chairman: Under the provisions of procedures governing the Industrial Employment Review Board, it may recommend to the appropriate authority that you be reimbursed in the net amount of your monetary loss if the Board finds the action against you was taken without sufficient cause and reverses the decision of the Army-Navy-Air Force Personnel Security Board.

I will now ask you some questions on this subject so as to establish in the record the basic data upon which such

losses, if any, suffered by you may be determined.

Q. By what company were you employed when you were notified that you would not be permitted access to classified information?

A. Engineering and Research Corporation, Riverdale,

Maryland.

Q. What was the natural your work?

A. I was the Vice-President in Charge of Engineering.

Q. How highly classified was the information to which you had access? Was it "Restricted", "Confidential",

"Secret", or "Top-Secret"?

A. I was cleared for "Top-Secret" but the information that had come into my possession was only "Confidential" up until the last two years. Early in 1949 or late in 1949, I am not sure, we bid on a job for the Signal Corps which was "Secret" and during that time I had access to "Secret" material called—that was on a project called "Sysnet", S-Y-S-N-E-T, and that was classified "Secret".

Board: Is that code name "Secret"?

A. No, I don't believe so. At the present time I think that the classification has been reduced, but we weren't [fol. 80] successful bidders so I have lost track of the job.

The code name was not classified because it had been referred to me over the telephone by people in the Signal Corps.

Chairman: Then, you are not disclosing any classified information.

A. No, because I haven't told you anything about the project. But, all my work, for example the OT Trainers, which has been 95% of my work, has been no higher than "Confidential."

Q. What salary or wage are you being paid?

A. Fifteen thousand a year.

Q. Were you suspended or have you continued in the

employment of the company?

A. I am on a furlough and I have not been in the plant since the first notice—the tentative decision—that was on November 21st and I haven't been in the plant since then.

Q. You haven't had any monetary loss due to the denial?

You don't have a claim?

A. I have no claim, that's right.

Board: By "plant", I assume that you mean the Engineering and Research Corporation at Riverdale, Maryland?

A. Yes, sir.

Chairman: Mr. Greene, state your full name, date of birth and present address, please.

A. William Lewis Greene; born October 23rd, 1916 in New York City. I live at 813 Midland Road, Paint Branch Farms, Silver Spring, Maryland.

Q. Are you a citizen of the United States?

A. Yes, sir.

Q. Are your parents living?

A. No, sir. Well, my mother is living and my father is dead.

Q. Will you give the Board the names of your parents and the address of your mother?

A. My mother's name is Mrs. Benjamin Silverstein and she lives at 32 Hillside Avenue, Newark, New Jersey. Do you want my step-father's name?

Q. I think so.

A. Doctor Benjamin Silverstein and he lives at the same address. Do you want my own father's name?

Q. Yest

A. Robert Wolfe Greenberg, and he is deceased.

Q. Where did he live prior to his death?

[fol. 81] A. 60 West 96th Street, New York City.

Q. When and where were your parents born?

A. My father was born, I believe, in Finland and so were the other members of his family, although it is not very clear to me.

Q. About what time?

A. Well, he was sixty-seven when he died, and that was in 1941, so he must have been born around 1874, and my mother was born around 1890. I think she is about sixty years old. Do you want the exact date?

Q. Just approximately?

A. About 1890.

Q. Where was she born?

A. In New Haven, Connecticut.

Board: Was her father an American citizen?

A. He was an American citizen. I know that he was naturalized.

Chairman: And, your father was a naturalized citizen?

A. Yes, sir.

Q. When was he naturalized and where?

A. He was naturalized in New York City—by a court in New York City about 1900, I think. I am not sure of the date. I looked it up once for a passport, but I don't remember it right now.

O: About when was he naturalized, you said?

A. About 1900, I think.

Board: Before that, he was a citizen of what country?

A. Finland, but at that time it was a part of Russia so he must have been a Russian citizen, I would say. I don't know what the laws are concerning those matters but he was born in Finland at a time when it was a part of Russia.

Q. And, your mother was born in the United States?

A. Yes, sir.

Chairman: Do you have any brothers and sisters?

A. I have a sister.

Q. Would you give us her name, please?

A. Marjorie Eleanor Greenberg.

Q. Where does she live?

A. Her home is with my mother, but at the present time [fol. 82] she is studying at the University of Lausanne in Switzerland.

Q. How old is she?

A. Thirty-two.

Q. She actually lives at home with your mother?

A. Her home is with my mother, normally, but at present she is in Switzerland going to school and she will finish in June, I believe.

Q. Her plan is to come back to the United States?

A. Yes, sir, and practice medicine in the United States, as far as I know.

Q. Where did you say she lives?

A. In Newark, New Jersey.

Board: When did she leave this country to study medicine, what year?

A. Let's see, it is a five-year course so it would have been in the summer of 1947, I believe.

Chairman: Is she a citizen of the United States?

A. Yes, sir.

Q. Are you married, Mr. Greene?

A. Yes, sir.

Q. Tell the Board when and where.

A. I was married in March—March 27th, 1948, in Washington, D. C.

Q. And to whom?

A. Dorothy Grace Skinner.

Q. Have you ever been married more than once?

A. Yes, sir.

Q. Would you go into the details of that?

A. You want the whole story?

Q. Just give the date for the present?

A. I was married about December 26th, 1942, to Jean Hinton and I was divorced from her in Reno, Nevada, she went to Reno about the 6th or the 7th of December, I don't remember the exact date now, but it was in 1947.

Q. Where was Jean Hinton born?

A. I think she was born in Boston.

Q. Was she a citizen of the United States?

A. Yes, sir.

Q. How about her parents?

A. Her mother was born in the United States and I think her father, who was dead during the whole time we were married, was born in England.

Q. Were her father and mother both citizens of the

United States?

A. I can't say about her father but I know that her mother [fol. 83] was. I never met her father and I knew very little about him.

Q. He was dead when you married her?

A. Yes, sir, and had been for some time.

Q. Now, when was it that you were divorced from her?

A. In December of 1947.

Q. Now, your present wife's name is what?

A. Dorothy Grace Skinner.

Q. And her parents are American citizens?

A. Yes, both American citizens.

Q. Born where?

A. I am not sure but they were born in the Midwest, I believe.

Q. Where was she born?

A. I believe it was Iowa.

Q. Are her parents living?

A. Yes, sir.

Q. Where?

A. In Iowa, Reynolds, Iowa.

Q. Do you have any children by either marriage?

A. I have two by the second.

Q. Give their names.

A. Robert Wolfe, sixteen months, and Walter Skinner, seven weeks. I guess it is either six or seven weeks.

Q. Will you give the Board a brief description of your educational background, degrees held, when and where, starting with secondary school?

A. I graduated from DeWitt Clinton High in 1933, in New York City. I enrolled in New York University, Unieversity Heights, New York, in 1933. I went to the Guggenheim School of Aeronautics in 1934. The first year I went to the Arts College and in 1934 transferred to the other campus to study Aeronautical Engineering, and got my Bachelor of Science Degree in Aeronautical Engineering in 1937.

Q. Is that the extent of your formal education?
A. That's the only degree I hold, that's correct.

Q. Will you give the Board a chronological history of your employment, the positions held by you since you started to work?

A. Well, I came to work at Engineering and Research Corporation in 1937.

Q. Did you work any place else before that?
[fol. 84] A. No. I did work during the summer vacations from school at an orangeade stand in Ocean City.

Q. Any place else?

A. I think—during the summer of 1934-1935 I worked in the orangeade stand in Ocean City, New Jersey. In 1935-1936, the summer, I believe I worked in the Hotel New Yorker in the beverage control section or department. During the summer of 1936-1937 I was at a summer camp for ROTC. I took advanced ROTC in college and we had our summer camp at Fort Belvoir and I got paid for that. Those are the only employments I can remember, and in May of 1937 I came to work at the Engineering and Research Corporation as a Junion Engineer and Draftsman. It was quite a small company at the time.

Q. As soon as you graduated?

A. Yes, I went right to work for them . . . I went right to work for them as a Junior Engineer and Draftsman in a newly formed propeller department. I worked on the Schwartz propeller which we had gotten a license from Germany to manufacture. I made gradual promotions and finally became a full-fledged Engineer in about June of 1940. At that particular time a man I knew at the Curtis Propeller Division at Caldwell, New Jersey, left Curtis to go with a newly formed propeller group in the Aero Products Division of General Motors in Dayton, Ohio. His name was Edd Morris. He knew me because we had worked together putting propeller blades into Curtis propeller hubs at the Curtis plant. I had been up there running tests

on these propellers, so when he left Curtis with some others to form this new company—to help form this new company—he asked me if I cared to go there and made me a fairly substantial offer, financially, and I had been at ERCO from 1937 to 1940.

Board: To go with new company?

A. Yes, so I accepted the offer and I went and worked there for four months . . .

Q. What year was that?

A. That was 1940. And, after four months had gone by Mr. White, who was the Chief Engineer at ERCO, called me up and asked me if I would come back to the company at quite an increase, since one of the people in the company [fol. 85] was leaving to go on active duty in the Navy, and who had been doing the work that I had done when I left, so I agreed to come back. I didn't have much difficulty making up my mind to come back as I missed boating very much. I like to sail; that is my main hobby, and a friend of mine owned a boat at Annapolis, a Seabird Yawl, which I had always liked.

Well, the two things—I was homesick for Washington and I had a good job offered and I wanted to get back to sailing, so I came back. Well, I came back to be a Project Engineer, and that was about four months after I had left, that was about October or November of 1940. From then on my promotions were steady, we did more development work and the department grew considerably. It grew from a two-man department, I would say, up to about ten men, and I became Chief Engineer of the Propeller Division, I would guess, around—it's hard to say—I don't know the date at all—I would say that it was around '43 or '44.

Chairman: About how many people were there at that time?

- . A. About thirty-five employees.
 - Q. And now?
 - A. I guess it is close to two thousand:
 - Q. How did you go to ERCO in the beginning?
- A. A friend of mine, who was like a brother to me and who lived across the street from me, had a girl friend, her last name was L-A-N-E, and she had an uncle who was

working at the Engineering and Research Corporation, Frank L-A-N-E, and she wrote him that I was studying Aeronautical Engineering. I was looking for a job at the time, that was in the winter of '37, and he never answered her.

Q. That was the winter of '36?

A. No. Well, it was the winter of '36-'37-December 1936-January 1937-and one day in April I got a telegram, not from Mr. Lane, but from Mr. White who was in charge of personnel. He interviewed me and I was hired and that is how I happened to go to work for the company. I had an offer to go with Martin's but Frank Lane had a sailboat and he had also done some gliding and I had glided in college, so it looked like a nice setup so I came down [fol. 86] here. Well, our propeller never did go over very well. The Schwartz propeller was not good enough for our combat airplanes. We tried to make a success of it but it was never used in combat because of its physical shortcomings. During that period the Canadian government decided to convert the Singer Sewing Machine plant in St. Johns, Quebec, into a plant to manufacture these Schwartz propellers. The British used them and the Germans used them, and they wanted to make them in Canada because they have lots of wood there. That was one of my duties during that period—that was around 1942—then in 1945 the propeller was just about dead, nobody wanted it at all, and our orders were terminated. We had made some for training planes which had not turned out the way they should. In my opinion it was inherently a poor propeller blade—a poor type of construction. In 1945 the war ended and all our military contracts were terminated.

Oh, one thing happened in 1945, in the late spring of 1945—I think it was June. Colonel McCoy, who had been in charge of propellers at Wright Field and who knew me, asked the owner of my company, Mr. Henry Berliner, when he saw him in Europe, whether he cared to let me come over there to study the German propeller development. They had a technical intelligence outfit over there. I got there in June of 1945, shortly after the war had ended in Europe and I spent three months in Germany and about one month trying to get back and I got back here in late September

or early October. I did quite a bit of travelling about in Bayaria. Well, the war ended and our propeller work stopped completely and we went over into the Ercoupe. Well, I had very little to do with that and they set up a Research Division about the end of 1945 to try to develop peacetime products, such as coffee percolators, and another one was a slow-flying airplane, and I was co-director of that research group of five people. Well, finally things got very bad and in November of 1946 the airplane business folded up completely and we stumbled along doing very little. We just sort of maintained the status quo and then in later times late in '47-Mr. Weinck left the company, [fol. 87] either in late '47 or '48, and I was made Chief of Engineers. We had three engineers at the time and went along trying to get things to do and we sold a little machinery and I kept the Engineering Department going. Finally, at the end of 1948...

Board: Did you have any classified contracts with the government during this time that you speak of?

A. Not during that time, there was one that might have been restricted but I am not sure. Let's see, there was a thrust reverser which didn't work, but it may have been "restricted". I don't really remember the classification. It was a thrust reverser for jet engines which didn't work out and it was dropped. After the airplane fell through we coasted along until we started in on other work. In late 1948 I contacted people and the whole company tried to get into other work, military work, again and we were advised by Admiral Pride to try to get into the field of electronics. I went up to the Special Device Center. Port Washington, Long Island, and discussed the possibility of our bidding on one of these electronic flight trainers which, at that time, they said was very difficult and that they had not had any success with their new specifications. so they asked me whether we were interested and I thought we could do it. I am an engineer, but I am not an electronics man, and I told them so, but I looked over what the specifications said and I thought it was possible. Well . . .

Board: Was this a classified matter?

A. I believe it was "Restricted", yes.

Q. And you were cleared for "Top-Secret" all this time?

A. No, sir. I don't know how that works. I was cleared during the war for "Top-Secret" and no one ever cancelled it. That is about all I know.

Q. The date of that clearance runs back to when?

A. I think it was around '44. I got about six clearances during that time so I am not sure when they were, but I think it was 1944. And, no one ever cancelled any of my clearances up to this time. Well, we bid on it and we were successful, for the F952, which is the Grumman, "Panther", a Navy project. We were the first ones to build one and have one accepted.

[fol. 88]. Q. You built the whole thing?

A. Yes. The electronic flight trainer, that has been my big contribution. It does everything! It does everything the plane does depending on what the pilot does from the time he gets in until he gets out. He is actually flying a real airplane, he is navigating and doing everything. We got our first one out in less than fifteen months—it was in service—and we did so well on it that immediately more work started coming in.

Q. What were they called?

A. Electronic Flight Simulator for the Grumman "Panther".

Q. Was it classified?

A. It was "Restricted". Some of the data that was applicable to it was "Confidential". Some of the performance data on the airplane was "Confidential", and of course it had to be treated as such. Now, during this time, I think it was early 1949, the spring of 1949, we received this invitation to bid on this "SYSNET", which I have mentioned before, and that was "Secret". By that time, we were informed by our own Security Officer, Mr. Winkler—we were informed by the Signal Corps that we would have to resubmit for security clearances for the entire plant. I believe it was a new policy—a new setup—I don't know what the details were but at that time we filled out our Personnel Security Questionnaires and we must have gotten

a temporary clearance in order to go ahead and prepare the bid on this, because no one in the plant had a new clearance at the time.

Board: What was the degree of classification that was requested?

A. "Secret" or "Top-Secret", but I don't know, I am not sure. You don't say what you are going to request. I believe the company requested "Top-Secret".

Q. Well, did you know?

A. Well, that is what I got.

Q. When did that take place?

A. I think that was about November of 1949 when I got "Top-Secret" clearance along with a whole group of other employees of the company. Nothing came of this "SYS-NET" proposal so we returned the data to the Signal Corps. We were not successful bidders, and meanwhile we [fol. 89] had orders building up for the Electronic Flight Simulators.

Chairman: Are there any questions on this subject? Apparently not.

Mr. King, I understand that you and Mr. Greene have some witnesses that you would like to have testify. Would you like to bring them in now?

Counsel: Yes, sir. I have Colonel Robertson as my first

witness and I will bring him in now.

TESTIMONY OF COLONEL JOHN C. ROBERTSON

Colonel John C. Robertson, USAF, witness for Appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Will you tell the Board you full name and what the position is that you hold?

A. I am Colonel John C. Robertson, Chief of the Training Aids Division, Directorate of Training, Headquarters,

United States Air Force.

Q. And, will you tell the Board what your job entails, just briefly?

A. I am responsible for determining the requirements for training aids for the United States Air Force, for programming training aids, budgeting and directing the procurement of training aids for the Air Force.

Q. Colonel, do you know Mr. William L. Greene sitting

over there?

A. Yes, I do.

Q. How long have you known him, please?

A. I have known him for over a year and a half.

Q. What was the nature of your acquaintanceship with

A. As an engineer for ERCO, that was his position with the company when I met him. We met in our business rela-

tionships in developing this Flight Simulator.

Q. Now, will you tell the Board, if you will, please, and in your own words, which is perhaps better than if I interrogated you; the contacts you have had with him, what his contributions have been and also what the Flight Simulator is without going into too much detail?

[fol. 90] A. Flight Simulators are complex electronic devices which we in the Air Force have come to regard as a necessity in the training of air crews. Mr. Greene has produced the best simulator that the Air Force has to this date. My contacts with him, throughout the period of our acquaintanceship, have been entirely favorable; and he has

impressed me at all times as trying to do the best job that he could. Where other designers would talk about designing and producing items, Mr. Greene has gone ahead and

done the work and produced.

O. What is the cost of a simulator?

A. The simulators generally cost about one million dollars for the first article and approximately one-half million dollars each for subsequent items.

Q. And, it is, as I understand it, it is a most intricate

thing?

A. Yes, it is very complex electronic equipment.

Q. Is it classified?

A. It is.

Chairman: What would the degree of classification be? Would it be "Restricted", "Confidential", "Secret" or "Top-Secret"?

A. Certain parts of our simulators are "Secret" and others are "Confidential" and then others have no classification on them. It depends entirely on the nature of the aircraft which is being simulated.

Q. Is any part of it "Top-Secret"?

A. Not that I know of.

Counsel: Has Mr. Greene, in all the contacts that you have had with him, shown a degree of cooperation and a desire to expedite the machinery, to make as many improvements as he could and so on?

A. He has always been cooperative.

Q. .In every way?

A. Yes, sir.

Counsel: I have no further questions.

Chairman: Would any member of the Board like to question Colonel Robertson?

Board: What precautions did you take to cover the classified material that was handled by ERCO and by Mr. Greene?

A. Sir, that does not come within my field. That is handled through our procurement agency at Wright Field. [fol. 91] Q. So; you have no knowledge whatever of the degree of classification which was being granted for work on these simulators?

A. No. sir.

Q. Your testimony relates entirely to his ability as an engineer and his cooperation on these particular contracts, it has no bearing whatever on the question of security, has it?

A. No. sir.

Chairman: Are there any other questions of Colonel-Robertson?

Apparently not. The witness is excused.

There being no further questions, the witness was excused and withdrew from the room.

TESTIMONY OF WILLIAM LEWIS GREENE (Resumed)

Chairman: Mr. Greene, let's continue on with your story. Appellant: Well, since that time there has been other work done in our plant besides trainers, consisting mainly of airborne armament developments and production for the Navy. I believe all other work has been unclassified. The rocket launchers.

Board: I don't understand this business of "since that time"? Does that mean, since 1949?

A. Yes, sir.

Q. And this other work that you referred to has to do with classified material?

A. Yes, sir.

Q. Will you detail that please?

A. Yes, sir. We got into airborne armament work consisting of the production of rocket launchers carried by airplanes, which I believe were classified "Confidential". We did gun turrets, tail turrets, for the P2V Lockheed "Neptune" which was classified "Confidential". We did several developmental projects, first, is the improvement of rocket launchers which I have mentioned which was classified "Confidential", and an intervelometer for firing rockets at intervals from airplanes. That was classified "Confidential" also. And, a package for holding rockets, the new rockets, the 23/4" rockets, for holding twenty-four of these rockets. It was a streamlined package and that was "Confidential".

Q. That makes five "Confidential" contracts, doesn't it?

A. Yes, sir.

[fol. 92] Chairman: Anything else?

A. We were also making machinery, doing machinery work—riveting machines and presses which are not classified. We were also bidding—well, we have finished bidding on droppable gas tanks, which I don't believe were classified. I had nothing to do with them, it was just production, and I guess that is about the status of our work at the present time. We received a great deal more trainer contracts—one thing—usually what happens to these trainer contracts is that the trainer itself is usually classified "Restricted" and some of the data that comes in, as

Colonel Robertson said, is "Confidential". I do not recall anything coming in higher than "Confidential". One part of the most recently completed simulator for the Air Force was rather highly classified and it was the highest classified material that we have had.

Q. I understood you a while ago to say that "Restricted" and "Confidential" were the highest classifications that

you had on the trainer,

A. They may have been. Basically speaking that is right, yes, sir. I think there was one item on the trainer and the Hughes radar that was originally classified as "Secret" but that was declassified to "Confidential".

Q. When you got it?
A. No, sir, before I got.

Board: You say it wasn't "Secret" when you got it?

A. Yes.

Q. The characteristics of a simulator determine what classification it is, don't they?

A. Yes, sir. It was never higher than "Restricted"—the simulator itself.

Chairman: Mr. Greene, this may sound somewhat repetitious, but what is your present place of employment?

A. The Engineering and Research Corporation, Riverdale, Maryland.

Q. What is the title of your position there?

A: I was the Vice-President in charge of Engineering.

Q. What is the highest degree of classification to which, you have had access?

A. "Secret".

Q. I mean the very highest you have ever had access to? [fol. 93.] A. I have had "Top-Secret".

Board: Have you got it now?

A. No, sir.

Q. When did it stop?

A. November 21st, 1951. .

Q. But, you had it up until that time?

A. Yes, sir.

Q. From 1944, as I understand it?

A. Yes, sir.

Chairman: Have you ever been denied access to any clearance prior to the 6th of December when you were denied by the Personnel Security Board?

A. No. sir.

- Q. Are you or have you ever been a member of a union?
 - A. No, sir, I have never been a member of a union.
- Q. Have you ever been a member of the Communist Party in the United States?

A. No.

- Q. During the period, 1943-1947, you and your former wife, Jean Hinton, were alleged to be pro-Soviet and criticized American institutions, and that you attended all parties at the Russian Embassy. Will you get into the Jean Hinton episode now?
 - A. I shall begin with meeting her. Shall I start there?
- Q. I think so. Let's tell the whole story and lay it on the table.
- A. I would like to tell the whole story because it is a painful one. In February of 1942 I was introduced to Jean Hinton on a ski trip, by a classmate of hers from Bennington College, a girl whom I had known for three or four years.

Q. Where's that located? Bennington, Vermont?

A. Yes. Well, she spoke very highly of Jean and we went with the ski club of Washington up to New Germany, Maryland. On the way up and back, and while skiing, I discovered she was interested in my hobbies. At the time I had a small yawl, a Seabird Yawl, and an airplane and I liked to ski and I liked to hike. She said that she liked to do those things, so when we got back we went · sailing, flying and skiing and politics never entered or never seemed to enter our discussions. I knew she was working for the Federal government at the Department of Agriculture and I met a few of her friends very superficially. [fol. 94] However, I went up to her home in Vermont that summer and went on a canoe trip with her mother-we weren't married yet. I began to meet people that she knew -she came from Boston originally-and I met Senator Aiken and Mr. Flanders, who wasn't a Senator yet, and

we met the Coolidge family in Boston, and I was quite impressed with her friends. I was quite impressed because my most urgent interest was engineering and I hadn't gone out much or known many people up to that time, and I was quite impressed by that and enjoyed these acquaintances and I finally persuaded her to marry me, and we were married in her mother's home in December. Now, during that first year I got the impression that some of her friends were very interested in union activities. I don't think that I saw any of her friends more than three or four times during that year.

Executive Officer: What year was that?

A. This was 1942. I know this, that I saw my own friends and I saw her friends from Boston. It was a sort of dual personality there that developed later, but at the time I wasn't conscious of it. I lived with Fred Coolidge, who is a grandson of Elizabeth Sprague Coolidge. I lived with him for two months in his grandmother's apartment. He was working at ERCO at the time I had gotten my job there and we had very pleasant relations. He was interested in sailing also. However, we were married in December of 1942 and we came to live in Washington on Eye Street.

Board: Would you tell me where she was born?

A. I think she came from Boston.

Q. Born, I said.

A. I am not positive but I think she was born in . . .

· Q. You still don't know?

A. That's right. I believe it was in the Boston area, however.

Chairman: You know that she was born here though, and in New England?

A. Yes, sir. However, I know that her mother came from Nebraska, and the remote possibility exists that she was out there when she was born. I think that she was born in Boston, though. Well, we moved into this apartment on Eye Street which she obtained through a fellow, [fol. 95] a man who worked in her same office in the De-

partment of Agriculture. That was the first time I began to be conscious that her friends didn't talk the same language that I did, so to speak. I had never been interested in politics in college, it had just never occurred to me—I had taken advanced ROTC and things like that. This never dawned on me! I was never even interested in it at the time.

Chairman: This was 1943?

A. That was right after we were married.

Executive Officer: What position did you hold at ERCO then?

A. I was the Chief Engineer.

Q. How much were you making?

A. Either six or seven thousand dollars a year. It's hard to remember some of those things.

Q. What property did you own?

A. I guess the car, a boat, an airplane and some skis. I had a camera, I believe, and some furniture that we bought for the apartment, not much, though. My main possessions were my boat and my airplane which I owned with some other chap.

Chairman: Were you on a salary at that time?

A. I have always been on a salary there.

Q. Did you have common friends and acquaintances?

A. The people who lived upstairs—one was a couple who were friends of hers who worked where she worked, and the couple between them and us, was a fellow I didn't like. I didn't like either he or his wife.

Board: This was in Washington?

A. Yes, sir, on Eye Street. His name was Bruce Waybur, W A-Y-B-U-R, she got the apartment through him and he worked with her in the Department of Agriculture. Then, there was a fellow whose name was Beicher, B-E-I-C-H-E-R, and they lived directly across from him, and that was the first sign of an argument that we had had. Some of her friends looked down their noses at me, and they made remarks that I was not an intellectual, in my presence.

I worked with my hands, according to them, and we argued about it. I remember one argument at that time that lasted [fol. 96] the whole evening long, where I argued against the closed shop. Now, I may have been wrong arguing against it, that is my opinion, but I said that management could not function with a closed shop and that sort of thing. However, about that time her friends began to get drafted into the Armed Forces. The one friend who I think influenced her most was her immediate supervisor in the Department of Agriculture, a fellow by the name of Sasuly, S-A-S-U-L-Y.

Executive Officer: What was his first name?

A. Richard. He got drafted and I know that she thought very highly of his opinions. I will say this, that of course there was a war going on and I did not feel any enmity towards the Russians at the time.

Board: This man influenced her in what respect?

A. I think he got her interested in union activities, and' I don't know what else.

Q. Had she any leanings in those channels at the time you were married?

A. Now, when we got married she was sort of naive in politics. She knew these prominent people in Boston and these intellectuals and there was nothing wrong with her then. She hadn't brought these other interests up with me

Chairman: She had been working down here before you were married?

A. Yes.

Q. About how long?

A. I think it was about a year, I don't know the exact time.

Counsel: Will you tell the Board about what her mother did?

A. That is an interesting thing. That is how we met a lot of these people—these people that I considered interesting. Her mother runs a boarding school in Putney. Vermont, and I know that Senator Flander's children went

there while we were married. Paul Hoffman's children also went there while we were married. He was there while I was there. Darrell Zanuck's children were also there while we were married, and to me I was meeting a lot of interesting people and a lot of trash also, I guess.

Q. What was the name of the school? [fol. 97] A. Putney, at Putney, Vermont. It was considered to be a boarding schoo, pre-college. To get back to what I was discussing in the beginning, we moved out of that apartment, I would say, about a year later. We had managed to rent a house. It was very difficult and we had to do a lot of looking to find a house to rent. We finally rented a house on Harvard Street, I think in March of 1944. That's my guess and I may not be correct on that but I think it was around March of 1944. And, while her friends were gone from Washington, I mean her intellectual or political friends...

Board: You want to call them Communists?

A. I believe so, after reading and seeing what has happened and seeing things as I see them now.

Q. Would you care to identify them by name?

A. I am sure that the Silvermasters, which we didn't get to know too well, but later on I found out that he was her top boss—he was Sasuly's boss and in turn her boss in the Department of Agriculture. Sasuly and this fellow Ullman, U-L-L-M-A-N, who lived with the Silvermasters—the only reason I suspected him was because of what I read in the papers and because of his having lived with the Silvermasters. And, I will say this, that to me he didn't talk much politics. I do think he was pro-Russian at the time. The other friends of hers, I don't know...

Counsel: May I interrupt you for a minute? Tell the Board why you weren't suspicious of him?

A. One reason I was not suspicious of Ullman was, at the time I knew him he was a Major in the Air Force, and at the same time I believe that Mr. Silvermaster was in charge of research or had some high job in War Assets.

. Executive Officer: What year was that?

A. That was—later he was a Major—he was a Major in 1945.

Q. I mean, what you are talking about? The period?

, A. I guess I am sort of skipping around now.

Chairman: I am going to suggest this, Mr. Greene, I will go ahead now with my questioning and it may give a little more continuity to this and later on you and Mr. King can cover anything that we haven't covered.

[fol. 98] Board: He suspected certain people of what? Of Communism? That is what I understood he was talking

about.

A. I suspected—now, then I suspected they were leftwingers who just wanted unions to run things.

Chairman: Would you have had any way of knowing whether these people were Communists or not?

A. No, sir. At no time did the fact that they were members of the Communist Party or wanted me to join the Communist Party, or wanted me to go to a meeting or talk about activities of the Communist Party—that never happened in my presence.

Q. Through any of the associates of your former wife, Jean Hinton, were you ever asked to join the Communist

Party?

A. No.

Q. Were you ever asked to go to Communist meetings!

A. No, sir.

Q. Now, in the early part of the questioning where I mentioned that you were alleged to be pro-Soviet and that you and your wife criticized Americans, or, rather, American institutions, and that you and she attended all parties at the Russian Embassy. Did you wife ever subscribe to "Russia Today"? A magazine called "Russia Today"?

A. I think she did, yes, sir.

Q. Anything you want to say about that?

A. I saw it in our house and I have even looked at it and I didn't pay too much attention to it. That is the sum total of it.

Q. Did you read it?

A. Yes, sir. I looked at the cover and so forth.

Q. Did you consider it a propaganda magazine?

A. It became a propaganda magazine in my opinion, but it didn't start off that way.

Q. How many times did you read it?

A. I may have looked at it five times.

Q. During what period?

A. Oh, I would guess around 1946—the end of 1946—around in there.

Q. What was the nature of the articles that it contained? [fol. 99] A. Praising Russia, mostly, I would say.

Q. Did you accept the doctrines put forth by that magazine?

A. No, sir.

Q. At any time?

A. Well, during the war I felt that earlier that Russia was our ally and that winning the war was an important thing. I mean, I don't know how to express that statement. I felt that she was our ally and that what was good for winning the war was good for us.

Q. When was that period? I would like for you to repeat

that.

A. The end of 1946 or early 1946—the spring of 1946.

Q. The war was over?

A. Yes, sir, it was over then.

Q. Would you elaborate a little bit further about the magazine to which your wife subscribed. You didn't accept the doctrines put forth by that magazine, is that right?

A. No, I am against Russia. I think that Russia is a

menace to our country at this time.

Q. Were you against it then?

A. I was against—I was beginning to get against it.

Executive Officer: You accepted it partially?

A. Well, my wife would say something and rather than argue with her, I agreed.

Chairman: Did she accept it wholly?

A. Yes, sir.

Q. With no reservations?

- A. We didn't discuss it, and after all I still loved her, I think.
 - Q. But, you had some reservations?
 - A. Yes, sir, we did argue.

Board: You were speaking of Russia as a military ally!

- A. Yes, sir, military.
- Q. But not in 1947.?
- A. No, sir, but there was a transition period to me and during that period I learned a lot and I have learned a lot about Russia since then.

Chairman: During the period 1944 to 1947, while you were living at 1937 Harvard Street, Northwest, Washington, D. C., it is reported that you and your wife were visited by Russian officers from the Russian Embassy. Will you tell the Board something about that?

[fol. 100] A. I would like to tell the whole story. Those visits had absolutely nothing to do with any of Jean Hinton's friends and those visits started in this manner: In 1942 we had finished working with the Canadians in setting up a propeller factory for making the Schwartz propellers. The Schwartz propeller was literally speaking an unwanted item in this country. The military were not using it on combat planes as it was a poor propeller. I discussed with several of our engineers the possibility of interesting other people in the propellers. One of the engineers, Henry Hochfeld, H-O-C-H-F-E-L-D, had run a propeller factory in Czechoslovakia and when the Germans came he had gone to France and from there he came to America. As a result of running this propeller factory in Czechoslovakia he knew the Czechoslovakian Air Attache here, Colonel Hess. He suggested that he could get an introduction to the Russian Military Attache in connection with our propeller through his acquaintanceship with Colonel Hess. Prior to that time, and during that time, our company had been manufacturing and selling machinery to the Russian government in relatively large quantities. They were one of our main customers. We had done a lot of business with them, although I had nothing to do with that business. So, through Mr. Hochfeld and Colonel Hess I was introduced to Colonel Berezin, B-E-R-E-Z-I-N. My wife knew nothing about it and she had nothing to do with it. She never asked me to meet him or anything else and had no connections with him. He knew about our company and our machinery, and after we were married I invited him to our house to dinner and also his wife, just one time as far as I can remember.

Executive Officer: Who invited him and which one was he?

A. Colonel Berezin and his wife.

Chairman: When was that?

A. About 1943, I believe.

Board: Berezin at that time was the Military Attache?

A. He was the Air Attache for Russia, I believe, and as a result of that visit I was invited to the Embassy for their birthday party celebration where everybody of any importance in the city attended, from the Secretary of State on down.

[fol. 101] Executive Officer: When was that?

A. I think that was 1943. I think I went to the Embassy celebrations about three times. I went to a cocktail party or some birthday party of the Red Army, I believe, once, and I went to a dinner party at the Air Military Attache's Office once. That is the sum total of it.

Chairman: These three times that you attended were all due to your contact with Hess and Hochfeld?

A. Absolutely.

Q. Nothing else?

A. Absolutely not. I believe there were four visits to my home over a four-year period. What happened when Berezin left the job, I don't know—where he went or what happened to him, I don't know. He arranged for an introduction to his successor, who was Colonel Asseev, and he came to our house once or twice, I am not sure.

Q. Did you invite him to your house?

A. Yes, sir.

Chairman: We will interrupt here for a minute, Mr. Greene, as I understand that there is another witness outside to be called. Mr. King, please bring in your next witness.

Counsel: I would like to introduce Admiral Solberg as my next witness.

TESTIMONY OF ADMIRAL T. A. SOLBERG

Admiral T. A. Solberg, United States Navy (Retired), witness for Appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Will you give the Reporter, please, your full name, your rank and your present occupation?

A. Rear Admiral T. A. Solberg, United States Navy,

Retired.

Q. Admiral, what was your position in the Navy?

A. I was Chief of Naval Research from 1 July 1948 until 30 June 1951.

Q. And, during that time did you have an occasion to know Mr. Greene?

A. Yes, I knew him practically all that time and had contacts with him.

Q. In what capacity did you have contacts with him?

A. We were interested in building a simulated flight trainer and other flight training devices which my office had cognizance of, and at that time we were below par in [fol. 102] the number we had and the types we had, so we had to scout around and find people to do them. And, having gotten the money to do it we were involved from the very first when I got into the office, in making arrangements for getting this equipment built.

Q. How often in that period would you say you saw

Mr. Greene, Admiral?

A. I would say I saw him, either in my office or out at the plant, four or five or six times a year.

Q. And, did he make any material contribution to the development of the simulator?

A. Well, I felt that one of the reasons, one of the potent reasons for giving the contract to the firm, was because of the fact that they had such a fine engineering staff which we had looked into thoroughly. I believe that at that time he was the Vice President in charge of engineering, and I took the trouble to look into some of his previous work and I found that he had been with the work a long time, and I might add that this particular equipment is equipment of great complexity and requires a great deal of fine engineering and designing as well as execution. It might help the Board to say that in my estimation there are only three firms in the country that will take this work on, and the work of this firm has been outstanding. I know that to be true because of the reports that have come to my office from the users in the fleet and other places.

Q. And, do you think that Mr. Greene's efforts in that behalf aided materially—his skill and his drive aided ma-

terially in perfecting this job, did it not?

A. I would say decidedly so because I was impressed from the time I had the first conference with the Engineering Research Corporation—I was impressed by those same factors in Mr. Greene that you have mentioned. At other times on my visits to the plant it was very apparent, the drive he had, because these things were being done on a time basis and we were checking closely on them. And, I was also impressed by the fact that the other employees out there, at all levels, spoke so highly of him and his work.

Q. Have you had an opportunity during the entire time that you have known him, Admiral, to know him well enough to the point that you would feel that he is a

[fol. 103] good security risk?

A. I would say that he is an outstanding American. One of those people that you get a first impression of as being a fine person and a loyal and patriotic American, and I would have to say that my continued contacts, whether they were in the office or out at the plant and the few times we had lunch together, that you could only have that impression of him.

Chairman: Are there any questions of Admiral Solberg by the members of the Board?

Board: In allotting these contracts to the firm with which Mr. Greene was associated, the sum and substance of your testimony here has been that he is a very able engineer, and that the firm itself is very capable of carrying out the contracts from the technical side or standpoint; but with respect to security, what grade or classification of security was involved in this contract, the simulators?

A. I think some aspects of it, particularly the performance data of some of the trainers was "Secret".

Q. Did it come under your jurisdiction to look into the question of his clearance and the classification of his clearance?

A. I didn't do so personally, but I am sure that the mechanism in the office covered those aspects.

Q. You relied entirely on that "mechanism" as you call it?

A. Yes.

Q. So that you had no real reason for questioning his

security yourself, did you?

A. No, I would say, sir, that in cases where contracts are let and the security of the personnel is involved, if in that course of events something turns up that there is someone in the firm who doesn't qualify, then the head of the organization, like myself, would hear about it as the contract would be involved, but nothing like that ever happened.

Q. Who would you depend upon to tell you about it,

A. Well, it would come through the Security Officer in the organization.

Q. Your own or the plant's?

A. Oh, well, it would come directly through my own Security Officer. Now, where he would get it from—the [fol. 104] people investigating—I am not clear on that, but eventually I would know about it.

Q. And, of course, your own judgment as to his security would depend entirely on what facts were presented to you with respect to that particular matter?

A. Yes, sir.

Q. And, as far as you know you have never heard anything of that sort?

A. No, sir. I could say that the system works because I have had other occasions, in the course of contracts, where my Security Officer would bring me in the dossiers of men in the organization and raise the question of whether he could work on a certain contract or not.

Qs An you last had anything to do with this training

simulator, in what year was that, Admiral?

A. I believe my last contact with this firm was in the late spring or 1951, probably about May or early June. I was getting ready to leave office and was checking up on this. I think I probably was out there sometime during that period and saw Mr. Berliner and, naturally, Mr. Greene. I don't have a definite recollection of the circumstances but I know those particular contracts were the ones we were much interested in-on the production status and checking the work of the office, but I was due for retirement. I know I did do that.

Q. So you have never had any reports, whatever, from anyone, either your Security Officer in your own organization or the Security Officer of the plant with respect to this man's security?
A. No, sir.

Chairman: Are there any further questions of Admiral

Solberg?

. Counsel: I understood, Admiral, that in addition to the answer you gave me-that you gave Colonel Roundsthat your opinion of Mr. Greene is based not only on the information that you received from your Security Officer, but also your opinion gathered from your various confacts with him?

A. Yes, sir. The fact that I received no report from the Security Officer, well, naturally, I assumed that everything was all right. The rest was my own opinion gathered from well, and impressions made by him not only in strictly. [fol. 105] official contacts but at other times that I happened to see him on one or two occasions. I saw him, or, rather, I had him and Mr. Berliner at lunch a couple of times so that it wasn't strictly on a contractual basis.

Chairman: Did you ever have an occasion to meet his former wife, Jean Hinton, Admiral?

A. No, sir.

Chairman: Are there any further questions of Admiral Solberg?

There being no further questions, the witness was excused and withdrew from the room.

Chairman: Mr. King, we are ready for your next witness.

Counsel: My next witness will be General Gabriel P. Disosway.

TESTIMONY OF BRIGADIER-GENERAL GABRIEL P. DISOSWAY

Brigadier-General Gabriel P. Disosway, USAF, witness for Appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Will you give the Board, please, your full name and position, General?

A. Brigadier General Gabriel P. Disosway, Director of

Training, United States Air Force.

Q. And, are you Colonel Robertson's superior?

A. That's correct.

Q. Do you know Mr. William Greene who is sitting over there?

A. I do.

Q. And, how long have you know him?

A. About a year and a half, I would say.

Q. And, in what capacity have you known him?

A. As the Chief Engineer of ERCO Manufacturing Company.

Q. And, have your contacts with him been few or many?

A. I would say about ten times in the past year and a half.

Q. Has he been of any aid to the Air Force in helping accelerate or develop this simulator?

A. We feel that he has been of very great aid to the Air Force in that program.

Q. And, as Colonel Robertson and Admiral Solberg said, that is a rather complicated piece of machinery, is it not?

A. Very, very complicated, yes, sir.

Q. And, in the course of your contacts with Mr. Greene, [fol. 106] have you been able to determine in your own mind, from the reports you have received from your security officer, and from your own observations of him, whether or not, in your opinion you feel he is a good security risk?

A. I assumed that Mr. Greene was a good security risk before the information that he had to have to develop these trainers was given to him. I just made that assumption and then proceeded on that basis, knowing that he had been cleared for the type of information that he had to have. So, it never occurred to me to question in my mind whether he was a good security risk or not.

Q. Did you form any opinion by your various contacts,

in your own mind?

A. Yes, I did. I formed the opinion that Mr. Greene was a very aggressive sort of individual on getting a job done, and the results of his production out there substantiated that opinion.

Q. The nature of your relations was not such that you could determine, do you feel, whether or not he was to be

trusted?

A. No, it never occurred to me that he could not be trusted.

Chairman: Are there any questions by the members of the Board?

Board: The net result of what you are saying, General, is that as far as the contract was concerned, the simulator training and so on, you were very much impressed with his ability and the ability of the company to manufacture it, but as far as the security was concerned, you assumed that had been looked after?

A. That is correct, sir.

Counsel: Did he make any suggestions to you, General, in the course of your conversations with him, that brought about any improvements on the simulators due to his experience as an engineer?

A. Well, yes. He explained to me in detail, out there, the whole setup. I spent a whole morning out there going over a Navy simulator, an F9F simulator, and he explained all the various different circuits and whatnot that they had developed out there; but I am afraid that I am not enough of a technician to rephrase those.

Board: I don't think it is pertinent or material at all, we are only interested in security, General.

[fol. 107] Counsel: But, he did make some contributions to the development of the simulators?

A. There is no question about it.

Counsel: I have no further questions.

Chairman: Are there any questions by the members of the Board?

There being no further questions, the witness was excused and withdrew from the room.

TESTIMONY OF HENRY A. BERLINER

Mr. Henry A. Berliner, witness for Appellant, was duly sworn and testified as follows:

Counsel to Witness:

- Q. Tell the Board your full name, please?
- A. Henry A. Berliner.
- Q. Where do you live?
- A. 2841 Tilden Street, N. W., Washington, D. C.
- Q. And, at the present time your position with the company is what?

A. I am Chairman of the Board of the Engineering and

Research Corporation of Riverdale, Maryland.

- Q. And, that is an organization that you founded in 1931?
 - A. 1930.

Q. Now, will you tell the Board about your war experiences? Were you in the First World War?

A. Yes, sir, I was. I was a private and I got up to the rank of sergeant in the Air Service Signal Corps.

Q. Now, during the Second World War, what did you do?

A. During the Second World War I was in the Air Force. I entered as a Major in early 1942, February or March, and I left as a Colonel either at the very end of '43 or early '44. I was retired.

Q. Where were you stationed?

A. Most of the time I was stationed in England. I was with the 8th Air Force and I had the War Plans Section of the 8th Air Force from the time the section was organized until I left England.

Q. Golonel, how long have you known Bill Greene?

A. Well, I have known him since he came to work for us [fol. 108] which was, I believe, sixteen or seventeen years ago. I have known him continually during that time except for four months when he went to Dayton and worked with a propeller company out there.

Q. And during the period of those fifteen or seventeen years I assume, if I am wrong please correct me, that

your contacts with him were pretty numerous?

A. Yes, sir, I saw him every day and spoke to him every

day.

Q. And in the beginning, as I understand it, ERCO was a very small concern with just a few employees and that it now employs about two thousand people, and I also understand it has about thirty million dollars' worth of contracts for the Armed Forces; the Army, Navy, and Air Force?

A. That's right.

Q. Do you consider Mr. Greene a good security risk?

A. Yes, sir, a very good security risk.

Q. Do you think there is any possibility of his disclosing any "Top-Secret" information, or any other classified material for that matter, to persons other than those who should receive it?

A. I feel absolutely certain he would not do it, in fact, I think he is more secure than I am, and I think I am a

pretty good security risk.

Q. Colonel, do you recall during '43 and '44, did Mr. Greene ever mention to you that he was attending parties or entertaining the Air Attache of the Russian Embassy?

A. Yes, we discussed it before he didit, and ...

Q. Why did he entertain him?

A. At that time we were trying to get some business—to sell them a license or—we were really selling them the "know-how" for the manufacture of a propeller called the Schwartz propeller, which was a wood and plastic propeller. We had had such a contract with the Canadian government and we had set up the Singer Sewing Machine Company of Canada to build these propellers and we had them in full operation in a short time. Both they and ourselves were pleased with the deal.

Q. Was Mr. Greene in charge of those operations in

Canada?

A. Well, Mr. Greene was in charge of the Propeller Sec-[fol. 109] tion, so he was obviously in charge of getting the technical information to them, imparting it to them and teaching them how to do this rather intricate job.

Q. Will you tell the Board something more about the

Russian experience?

A. Mr. Greene's or the company's?

Q. Well, Mr. Greene's first, if you will.

A. Well, as far as I know he entertained two or three of the Russian Air Attaches...

Chairman: Would you remember their names for the record, just so we can keep the record straight?

A. I remember one, whom I entertained myself—a B-E-R-E-Z-O-R—or something like that.

Board: Would it have been B-E-R-E-Z-I-N?

A. That sounds like it. I don't remember the names accurately. That was 1945, or certainly no later than 1946, and it might have been 1944, as a matter of fact.

Counsel: Did he tell you before he went?

A. Yes, sir.

Q. And, did he report to you afterwards?

A. Yes, sir, the next day.

Q. And, as I understand it, the purpose was endeavoring to obtain business—to get business?

A. Yes, that was what it was for. Incidentally, the one that I entertained invited Mr. Greene and me to the Rus-

sian Embassy to one of their brawls, and he was a pretty nice guy and a pretty smart man, and there were no politics discussed there and there was never any attempt made to get any technical information of any sort that I could see. It was an entirely social thing with the idea in back of it being to possibly get them to build this propeller and for us to get a contract to teach them how to do it.

Q. Had your company, over the course of years, done

much business with Russia?

A. We did a great deal of business from about 1933 to about 1941, maybe 1934 to 1941, and we sold them a great deal of machinery that we had built. It was practically all for aircraft production. That was sold to AMTORG Russian Trading Corporation in New York, a very difficult outfit to do business with, incidentally.

Q. Who is Mr. Seifert in your firm?

A. He is in charge of machinery sales.

[fol. 110] Q. And, he would know—he was the one directly in charge of this machinery that was sold to Russia?

A. I am not sure.

Q. Would he know about it anyway?

A. I am sure that he would-about the later sales—I am not sure that he was there during the first sales.

Q. I have a list of machinery here, that was sold to Russia during the times that I have mentioned, or that have been mentioned in this hearing.

Chairman: Do you wish to introduce that document as an Exhibit, Mr. King?

Counsel: Yes, I do.

Counsel submitted Exhibit I which was admitted in evi-

dence and marked as Appellant Exhibit I.

Witness: We also felt that this amount of Russian business, at that time, was almost the bulk of our business. It was the biggest single amount of business we had had and it practically built our new building for us.

Counsel: Colonel, let me ask you this: Do you remember

Mr. Greene's first marriage?

A. Yes; indeed.

Q. Did he ever say anything to you by word or by gesture of the relations that existed between them?

A. Well, I am not sure that I could give you the exact dates, but towards the end of 1946, I believe, he started coming to work, occasionally, all of a dither, and he would come in and talk to me. We were very good friends aside from our business relations. Well, he was very upset because he said the wife was filling the house with all of these queer people. He didn't look upon them as a menace, I don't believe, but it certainly looked like it to me. I remember that he brought his wife out to the plant one time, his first wife, and she wasn't in there ten minutes before I was in an argument with her, and since I don't like to argue very much, I was very much against her and I was very sorry that Bill had married her. I saw that he was beginning to resent things and I was very glad when it broke up. I remember one time that he said that she brought a group [fol. 111] of people in, some of whom were colored, and insisted that they spend the night there, and he just said that they were all crazy and had all sorts of wild ideas and kind of treated him as though he was stupid because he wasn't radical.

Q. And, did he ever indicate to you that those principles expressed by these people in the house, were opposed to his own views?

A. Oh, yes, very much opposed to his own views. They

had no respect for his views at all.

Q. And, did he ever tell you that that was the reason for his divorce?

A. Well, the reason he told me—the principal thing—he said it was the arguments he had with his wife plus the fact that she brought these people into his house when he didn't want them there—the arguments being radical on her part, and her objection to him being that he was too conservative.

Q. Did you notice any change in his workmanship after

A. It picked up considerably. He was pretty worried at the end of 1946 and through a part of 1947. You could see it in that he could not concentrate nearly as well as when as well as we knew he should have been able to.

Q. Mr. Berliner, do you feel that Mr. Greene is a good

loyal American?

A. I am sure that he is. Mr. Greene has, a number of times, proposed or suggested things that might be tried, military ideas, and some of them I felt were very sound, and one of them I think is now under consideration by the Navy, which I think has great possibilities. It is an idea of doing minesweeping by means of dirigibles. The minesweeping operations have been very hazardous, as the Russian mines are apparently very good, and this would be a way not only to do it more quickly, but it would also take some of the hazards out of the operation.

Q. Are you an aeronautical engineer yourself?

A. No, sir, not a graduate aeronautical engineer. I am a mechanical engineering graduate, but I have studied a lot of aeronautics.

Q. Where did you graduate from?

A. The Massachusetts Institute of Technology.

[fol. 112] Q. And, if you had any suspicion, Mr. Berliner, or had any doubt in your mind as to Mr. Greene's security, would you keep him employed in your organization?

A. I don't think we could. We certainly could not keep

him in any top position.

Q. Well, would you?

A. I don't think that anybody, regardless of how low the position was, we would not keep anybody whom we thought to be unsafe or Communistically inclined. We would kick them out.

Q. Has he ever indicated by word, action or gesture, during the seventeen years that you have known him, any leaning toward the Communist line?

A. Not a bit.

Q. On the contrary he seems to have objected to it, is not that true?

A. That is correct. I don't think there is an ounce or gram of Communism in his makeup. He is not that type of person and where security concerning technical things are concerned-I don't think he would be able to have a conviction of that sort without letting you know it in some way, and . . .

Counsel: I have no further questions.

Chairman: Are there any questions by the members of the Board?

Board: When was the first time you made out a clear-

ance for him? What year was it?

A. I would say that it was probably early in 1940 maybe 1942 or '43.

Q. And what degree of classification did he get at that time?

A. Probably "Secret". Now, that is a matter of record, but I don't remember the exact details now.

Q. When was the last time you made out the forms?

A. The last one was about two years ago.

Q. And that asked for what?

A. That was for "Top-Secret".

Q. And, he now has "Top-Secret"?

A. No. sir, it has been taken away.

Q. And if he came back he would have it?'

A. Yes, sir, we would apply again. By the way, I don't believe we have any "Top-Secret" contracts in right not, but we did bid on a number of them, and that is the reason [fol. 113] why we have requested clearance for that classification.

Q. And you propose, if he should be cleared here, to rehire him on the level of "Secret" as far as security would be concerned?

A. Yes, sir.

Q. Now, about this Schwartz propeller, what degree of classification did that have on it?

A. I don't believe it had any.

Q. Did you, your firm, or the Appellant, have any contact with the Russian government after the spring of 1947?

A. As far as I know he has had no contact and I have had no contact with them, and I don't think that the company has had any contact with them since that time.

Q. That was the time of the Truman Doctrine, when that

was announced?

Appellant: (Interjecting) I don't know whether you are including me or not?

Board: I mean you, your company, or the Appellant? Witness: I do not recall any contact since 1947.

Q. What was the highest classification of any project that you have performed for either the Army, Navy, or Air Force, at any time?

Counsel: Any time.

Witness: The highest project?

Counsel: The highest classification?

A. Yes. I am not sure whether we have actually worked on anything more than "Secret", but I do know of two that we had to work on to the extent of getting the information that there was to be had for working up the bid, which was quite an operation, and that was "Top-Secret"; but we never received those contracts, principally because we were told that we weren't a large enough outfit at that time. The one before last went to the Martin outfit and I don't know to whom the last one went to.

Q. Actually, the only contracts that you have ever had have been at a "Restricted" or "Confidential" level? I am not talking about bids, I am talking about execution of contracts?

A. I think that some of the flight simulators, that is, the performance data of the airplanes, was "Secret". I am [fol. 114] sure that the F86S, for example, was.

Chairman: There are occasions, in order to bid on certain "Top-Secret" bids that have come out, that you and other members of your organization, and in some instances Mr. Greene, have had to have access to "Top-Secret" to do justice to your bid, is that correct?

A. That is correct. As far as I recall we have never received anything higher than "Secret" classification as a contract, but we have bid on at least two that I can recall that had to be "Top-Secret" completely.

Q. The reason you want it is so that you can bid intelli-

gently on a contract?

A. Yes, sir.

Q. You do not have access to "Top-Secret" yourself, do you?

A. Yes, sir, I have "Top-Secret".

Chairman: Are there any other questions?

Counsel: Mr. Berliner, this might refresh your memory. The last item on this list of machinery that you sold to Russia, was a stretching press in 1946 and one metal forming machine in 1946. Have you had any contacts with the Russians since then?

A. I am not sure whether Seifert has or not, but if he has it must have been most unimportant, because he hasn't seen fit to mention it to me. I don't believe we have actually had any work since that time.

Q. Or any contacts with them?

A. That's right.

Chairman: While Mr. Berliner is here, is there anything that you would like to have brought out, Mr. Greene?

Appellant: I think the "SYSNET" was only "Secret",

wasn't it, Henry?

Witness: I thought it was "Top-Secret".

Appellant: I thought that was the reason we had to get

"Top-Secret".

Witness: It was going to be and then it turned out to be "Secret", but the Signal Corps said we should get "Top-Secret".

Executive Officer: In view of what the Appellant has just said, Colonel Berliner, do you believe that in the future that there will be a possibility that you will be bidding on "Top-Secret" contracts?

[fol. 115] A. Colonel, there is only just one thing, I am unable to say at this time what it will be, but we are working on a proposal and have for some months, that might go into "Top-Secret" work.

Q. Would you care to tell us what it is?

A. It is a gun-laying device. This is our own project, so far, and we have just been working up a possible gunlaying device that looks very good so far. It obviously has no classification now as it is all our own work. If we got a contract on it, it might be designated "Top-Secret" and therefore we'd need the clearance. At the present time we are not contemplating bidding on any Army-Navy-Air-Force work that I know of in a "Top-Secret" category.

Chairman: Are there any further questions?

There being no further questions, the witness was excused and withdrew from the room.

Chairman: Gentlemen, it is now 11:45 A.M. and we will recess for lunch.

Chairman: Gentlemen, the Board will come to order. Let the record show that the Board reconvened at 12:40 P.M. All the Board members who were present when the Board recessed are again present, together with the appellant and his counsel.

I wish at this time to remind you, Mr. Greene, that you

are still under oath.

Appellant .: Yes, sir.

TESTIMONY OF WILLIAM LEWIS GREENE (Resumed)

Chairman: Mr. Greene, you were talking about having been at the Russian Embassy and entertaining Russian officers in an effort to obtain business and you were doing that—you were being encouraged to do that by ERCO and you mentioned the name of Colonel Alexander Hess, assistant Military and Air Attache of the Czechoslovakian Embassy. How often did you see him?

A. Hess? Just as—the only time I ever saw him is when he introduced me to Colonel Berezin.

Q. And the nature of your business with Hess was what?

A. Just to serve an introduction. I have no idea what he was, who he was, or what he has done since. I never saw him again.

[fol. 116] Q. Did he come to your house?

A. No, sir.

Q. You saw him out somewhere?

A. In a restaurant across the way from the hotel, the Mayflower, and I think his name was Alexander, he asked could we have dinner there.

Q. Did you see him at the Russian Embassy?

A. No, sir, I don't remember seeing him.

Q. When did you last see him?

A. I think it was very late in '42, sometime late in '42.

Q. You also mentioned the name of Harry Hochfeld

A. Henry Hochfeld.

Q. Would you spell that, please?

A. H-O-C-H-F-E-L-D, I think that's the way it's spelled.

Q. Of the Engineering and Research Corporation?

A. Yes.

Q. How closely associated were you with him?

A. He worked for me. I didn't hire him. He was hired by Mr. White, the Chief Engineer and he was an engineer working under me. That was about the sum total of our relationship. I don't think he ever came to my house even

Q. During what period were you associated with him?

A. I'm not clear on that. It was sometime before the introduction to Colonel Berezin, probably around '41, and he left our company to go with some company up in New York around '44, I would guess. That's just a wild guess on my part.

Q. Did you associate with him socially?

A. Very infrequently. I don't know whether he ever came to my house. I'm sure he didn't. I'm strongly certain he didn't.

Q. What was the extent of your business with him be-

tween 1941 and '44?

A. He introduced me to Colonel Hess.

Q. To what extent were you associated with him politically?

A. Politically, none.

Q. Did you attend meetings with him?

A. No.

Q. As I understand it, you say he did introduce you to Colonel Hess?

A. It was sort of a two-way introduction. He introduced [fol. 117] me to Colonel Hess and at the same time, Colonel Hess introduced me to Colonel Berezin at this restaurant.

Q. Would you explain to the Board why Hochfeld referred to you in talking to representatives of the USSR as a "young engineer who is a good friend of ours and of our cause"?

A. My God! I have no idea why he said that.

Q. Did he say it, as far as you know?

. A. Not when he introduced me. He may have said it privately. Why he said it, I haven't the faintest idea.

Q. Would you tell the Board your reaction to that statement?

A. I don't know any basis for it. It floors me! That's my reaction. I never discussed politics with the guy.

Counsel: He wants to know, is the statement true?

A. No, it's not true. I don't know why he said that.

Chairman: You categorically deny that such a statement was made

A. Absolutely. I don't remember making any such statement.

Q. At any time?

A. At any time.

Q. Was there any reference ever made of it by Hochfeld or Hess?

A. No, sir, never. I have no idea of that statement.

Q. Did you ever invite Major Pavel N. Asseev .

A. That's about where I was when we stopped.

Q. I'm going to question you about him, Asseev—A-S-S-E-E-V—Payel—P-A-V-E-L—middle initial is N—Assistant Military Attache...

A Air Attache.

Q. Soviet Embassy?

A. Right.

Q. Did you ever invite him to your home?

A. Yes, sir.

Q. Would you explain the circumstances and about when,

give the period of time?

A. Oh, '44 or '45—late '44, whenever Berezin left. I'm not clear now as to when he left. He was out to our house. I don't remember how Berezin arranged the introduction to Asseev, except that he introduced him as his successor; and I believe I met him at a cocktail party at the Military Attache's office in '44, probably—I think it was sometime in there—at which time I met 'Asseev and it was after that [fol. 118] that I invited him to our house for dinner.

Q. What was the nature of that visit? Was it business, social, or political?

A. It was not political. It was a combination of social and business visit. I wanted to get to know the man and

try to convince him he should buy our product. It had nothing to do with politics.

Q. Sales promotion?

A. I've been doing this ever since I've been with ERCO. I've done it now until I've stopped working on it, I've done exactly the same type of thing.

Q. How often did you see Asseev?

A. I don't know. Asseev came once or twice and I saw him at this cocktail party once and I may have seen him at a Russian Embassy reception, a big party they have; so, I may have seen him four or five times, Asseev.

Q. When did you last see him, Asseev? -

A. Probably early '45. He had a successor which he introduced me to.

Q. You were living with your former wife at that time?

A. Right, on Harvard Street.

Q. Did he teach you and your wife the Russian language?

A. No.

Q. Did you take any lessons?

A. I never took any. My wife did.

Q. Did you ever take any lessons from anyone on the Russian language?

A. No, sir, no formal instruction.

Q. You'd categorically deny that if somebody would say that you did?

A. Absolutely. Undoubtedly he'd tell us a common

word-I know that "da" means-it means, "yes".

Q. But you never attempted to take lessons in the Russian language?

A. No.

Q. Who gave lessons to your wife?

A. She got these records. There was a Berlitz record of somebody's and she took the address from that. There was a neighbor of ours, two doors down, who gave her a lesson in it and she went to the Unitarian Church, I believe, for lessons also. She'd take a couple lessons and quit and start in with somebody else.

Q. To your knowledge, did she ever taken lessons from [fol. 119] anybody who was with the Military Attache at

the Russian Embassy, do you know?

A. Not that I know of.

Board Would you give the name of the neighbor a few doors down who gave her lessons!

- A. It was a sister of a man whose first name is Sergy. I don't remember his last name. He's a great big fellow who worked for the Library of Congress.
 - Q. Would you spell that first name, please?

A. S-E-R-G-Y.

Q. What was the purpose of your wife wanting to learn to speak Russian?

A. She did a lot of things I didn't know about.

Chairman: To your knowledge, what was the purpose of it!

A. Out of curiosity. I think she is sympathetic towards Russia and felt it was a good language to know. She did so many things I don't know about.

Q. Did you plan to visit Russia during this period?

A. No.

Q. Did she plan to, to your knowledge?

A. Not to my knowledge. During this period, I'm certain she didn't.

Board: During any period?

A. No period. She never mentioned it. She traveled in Europe...

Executive Officer: You said you saw this Major Asseeve for business reasons. This Major Asseev, was he authorized to do business for the Russian Government?

A. I'll tell you the way that came about. As Colonel Berliner has said, you're trying to arouse interest among the technical people and the thing is to have the actual product. They don't do any initiating. Someone has to tell them they want it and you try to get them interested in a product. Now, one thing I want to point out, what I was doing was a very common thing. I guess you gentlemen know—we haven't gotten to it yet—but I went to a linner at the Military Attache's Office shortly after Asseev was replaced by a fellow by the name of Golkovski. Do you want me to go ahead on that?

Chairman: Go ahead.

Appellant: Asseev was relieved and he introduced me to his successor. I believe his name was Golkovski—G-O-L-K-O-V-S-K-I. Now, he invited—I don't know whether he did

[fol. 120] Executive Officer: What was his rank?

A. Colonel or Lieutenant Colonel, Air Attache. I knew the aree successor Air Attaches. I was invited. It was a formal invitation on a card for dinner at the Military Attache's Office, probably early '45, I think. This is in answer to your question as to why these social things connect business. At that dinner was Jack Frye. He was trying to get; I believe, some connection for his airline. Jack Frye-F-R-Y-E-he was President of TWA. Also at that dinner was Colonel Harrington, who is the head of Marmon-Herrington, a truck company. They build four-wheel drive vehicles. There was also a head of-a high official of the U. S. Rubber-I'm not sure whether it was U. S. or General-but it was outwardly social. We had cocktails and we had a dinner, but each person was trying to convince or to do some selling there of a product and it was perfectly obvious to me. There wasn't any interest in me and it was the same for these other people. That's why I never gave it a thought. It seemed like a perfectly natural thing to be doing with a customer.

Board: They knew that your wife was sympathetic to.

A. She wasn't at the dinner.

Q. They knew when they came to your house for dinner. They might have picked it up?

A. I don't think so.

Executive Officer: How did they meet her, at the Russian Embassy reception? Did they meet her there?

A. She may have met some people there, I believe, but at the reception, we never talked to anybody, beyond saying "Hello"—that one word, "Hello"—to anybody we saw there. They were very formal there. The main thing at the reception at the Russian Embassy was to eat fast and

get over the thing. There was no conversation whatsoevers at the Embassy reception.

Q. They didn't dance?

A. No, not at the reception, absolutely not. I never danced there, never, nor my wife. I'm positive.

Chairman: Did you ever invite Major Ovchinnikov to visit you, Mr. Greene? That's spelled—O-V-C-H-I-N-N-I-K-O-V.

A. I don't remember the name, but Colonel Berliner and [fol. 121] I took out to our plant in late '45 Colonel Golkovski and the Military Attache. I don't know what his name was. I think it was a general.

Q. This is Major Constantine I. Ovchinnikov.

A. That name does, not record. In late '45, the Air Attache and the Military Air Attache—we arranged through the Air Attache for him to come out and we went out to the plant but we did not go into the plant. We stayed outside and talked, —Oh, and took them for a ride in the Ercoupe, which we thought that there might be some possibility of selling them a license to build the Ercoupe, as it would have paid for the tooling up of the Ercoupe, which were about to go into production. They came out and went for a ride in the Ercoupe and we asked them about the propeller, the Schwartz propeller. They showed little interest at that time.

Board: Might he have been a Major General?

A. That name doesn't register anything but he may have been the Military Attache I only saw him once or twice but he was a fellow—to go on with that—I believe after that visit to the plant in late '45, they never came—none of them ever came to my house after that visit to the plant, to the best of my knowledge, and the last time I saw or had anything to do with them was November, '46, at the birth-day anniversary affair at the Embassy. I notice in my letter from Colonel Mare it says '47. Unless my mind is going blank—I'm fairly positive that hovember, '46, was the last contact I ever had with them. It was at this reception. I'm almost dead certain of that. I can't think of anything else.

Chairman: Did you in any way associate with Ovchinnikov, either you or your wife? Your wife was studying the Russian language and you said you never did. Could you associate him with that in any way that she might have, maybe she did?

A. I don't know who he is. It's hard to say who she associated with.

Q. You can't think of the name? I thought maybe that might help you.

A. I can't think of- No, I can't.

Q. If you saw him, the last time you saw him was November, '46?

A. I don't know who he is. The last time I saw any Russian was at the reception at the Russian Embassy, No-[fol. 122] vember, '46. I can't think of anything else, unless you have some evidence that may help refresh my memory.

Q. When would you have terminated your connections with Russians? This question applies to all Russians.

A. At that reception. I saw none after that. At that reception, I saw Colonel Golkovski. I said, "Hello", to him. He said, "Hello" to me, and I just felt that there was little hope of doing any business in the Schwartz propeller with them. I felt that there was no interest in the propeller and at that time—another thing I want to point out—From then on I could see that they were not people to do business with, so, I made no attempt to contact them after that. I don't want any more to do with them. I could see if we were going to business, we'd have to do business with our Ercoupes. We gave up on the propeller; by late '46, the propeller was out of business completely.

Q. You made a statement this morning giving me the impression that you were entirely independent of anything

your wife might have done?

A. At no time did any people that I met through my wife meet any of these Russian people when I or my wife was there, to my knowledge. I don't know what she might have done prior, but at no time at our house or at the Embassy, the Attache's Office, were any of these other people there. There was no cross connection between the two.

Executive Officer: Would you explain why it was that you were invited to the Embassy and not maybe somebody else?

A. You mean . . .

Chairman: You mean the Russian Embassy! Executive Officer: The Russian Embassy.

Chairman: You mean why wasn't Mr. Berliner invited?

Appellant: He was.

Executive Officer: Why were you invited and not John Doe!

A. It was the same reason way Jack Frye was invited and Colonel Herrington. I don't know what their plans were in the future, but they thought they were good—that they were a good customer of ours and I imagine that they did it because they thought for business reasons, they ought [fol. 123] to maintain good relations.

Q. You felt that was the only reason?

A. I felt the reason they invited me to the Embassy, the Air Attache's Office and he came to my house, was they thought it was to promote good relations for doing business, because they did not discuss any politics with me at any time.

Q. Did you socialize much?

A. Not outside of those visits, probably over a period of four years, four visits to my house and probably five or six visits to the Embassy and the Air Attache's Office. That's the total over a period of four years—no socializing— We didn't go to their house.

Q. Didn't you say that you took them on airplane rides?

A. The only airplane ride was at the factory, which our test pilot took them on.

Q. You felt that the whole connection with these representatives of the Russian Embassy were strictly on a business basis?

A. Absolutely. I thought I was doing my company a favor and I've proceeded along the same line with the Canadians and along the same line with the English and with American military personnel.

Chairman: It's all done with the full sponsorship of Mr. Berliner?

A. And Mr. Wells, President. I-told them of the visits I made and it never occurred to me now that it looks peculiar.

Executive Officer: Let me ask you this: Did you ever take these people out to lunch or anything like that?

A. The only time we took them to lunch was when they were coming out to our plant and Colonel Berliner was with me at the time. We picked them up at the office—one may have been Ovchinnikov—and we stopped at the Shoreham for lunch and went out to the plant.

Q. Who paid the check?

A. Colonel Berliner or I did.

Q. If you paid the bill, did you mark it on your expense account?

A. If I paid the bill, I was reimbursed because any time I spent money on entertainment, I got paid when I did, but at my home I didn't.

[fol. 124] Q. You did entertain these people at your home

on occasion?

A. Yes, probably four visits over four years.

Q. You didn't consider that business?

A. I considered that business, stacking up good relations with the customer.

Q. You would do that with others?

A. I do that all the time.

Q. With the Air Force? ...

A. Yes, I do it with the Air Force. I've done it over a period of 12 or 14 years, with all customers that we've done business with. It seems to me that, for one thing, you're compromising them by spending money on them when you entertain somebody that way.

Q. You are, in effect, aren't you?

A. It's not overtly- Maybe you are.

Chairman: Mr. Greene, did you and your wife on 7 April 1947 attend the Third Annual Dinner of the Southern Conference for Human Welfare at the Statler Hotel?—That's the Statler Hotel, Washington, D. C.

A. I remember a dinner of the Southern Conference for Human Welfare, but where it was, I don't remember.

Q. Was it in 1947?

A. I think it was '46 or '47, I don't remember.

Q. What was the purpose of this conference?

A. I guess they wanted to sell things at the dinner to raise money for it, that's my guess.

Q. Were you and your wife representing someone or were

you invited in an individual capacity?

A. We were representing no one that I know of.

Q. You were there as Mr. and Mrs. Greene?

A. My wife bought the tickets and said, "We're going to a dinner."

Q. Did you have any idea what the purpose of the conference was—what it was for?

A. No.

Q. What was discussed when you were there?

A. A lot of well-known people made speeches.

Q. Such as?

A. How the South was going to be a great place some day and industry was starting to come into the South now...

[fol. 125] Q. Who were these people? Do you remember

any?

A. I don't remember. I got the impression—I don't know whether Mrs. Roosevelt spoke there—I think so—and, I'm not sure, but I think Attorney General Tom Clark spoke—I'm not sure. I just have a vague recollection of some well-known people.

Counsel: Didn't you say Judge Minton?

A. I thought so. I don't know. Somebody mentioned that. I don't know whether he spoke. Somebody said, "There's Judge Minton". I don't know whether he spoke.

Chairman: Were you and your wife members of this conference?

A. I'm not.

Q. You don't know whether she is?

A. I'm sure I wasn't. I don't know about her.

Q. Did you recognize any of the other people present other than the persons you've already mentioned?

A. I think some of her friends were there. I'm not sure I think some people we knew in Washington. That, I'm not sure of.

Q. Such as?

A. Maybe the Weavers were there, maybe Sasuly,

Board: May I ask a question? This is in reference to your question, Mr. Chairman.

Mr. Greene, what was the purpose of the conference?

A. I think the purpose was to improve the South. That was my idea.

Q. In what respect?

A. Bring industry into the South, industrialize it, things like that.

Executive Officer: Did they discuss the Negro question, the poverty of the Negro in the South?

A. I don't remember that. I think it was involved in the industrialization of the South but I don't remember any mention being made of the Negro question as such. I don't remember it. See, I heard a lot about the Negro question all the time around the house and I don't remember just where and when and how I heard it.

Board: You can't recall anything being said about the [fol. 126] Negro question at the Southern Conference?

A. I don't recall anything specific about it.

Executive Officer: When your wife asked you to go out to these places, did you submit and go to them?

A. Well, we-we got divorced finally!

Q. What did you do about it here?

A. I went. I acquiesced to go to that because I didn't have any strong feelings one way or the other about it. She—well, we had been quarreling and I thought if she wanted to go to a dinner, I didn't see any harm in going

Q. Did you know which one?

A. Yes.

to a dinner.

Q. Did you know it was a subversive organization?

A. No, sir.

Q. When did you know it?

A. The first time I heard it was in this letter.

Chairman: Did you contribute any funds?

A. I don't know whether my wife did.

Q. Did you?

A. I don't know.

Q. You mean you might have?

A. I might have.

Q. Wouldn't you know if you did?

A. Unless I went through my check books, no, I don't know. I may have. She asked me for a lot of things or she contributed, maybe. We had a joint banking, a checking, account and she contributed to a lot of things. She was always subscribing and contributing to things.

Q. Did you contribute at this time?

A. I won't say I did. We may have.

Q. This was on 7 April 1947 and you were divorced in December, 1947?

A. That's right.

Q. Do you want to explain that?

A. Well, we were having a rough time at home and I had hopes of salvaging our marriage by getting my wife away from Washington, which I tried to do and which didn't work, because when we were away from Washington, every time we were away from her friends she was a different person, I thought. When we went—in December, '46—on a trip to Cape Breton Island, well,—we hiked, swam, and [fol. 127] she was a different person. I may have. I don't know. I just don't have a clear picture of it. She often said she wanted to give and I would give her the money for something. I know this; There's nothing I suspected as subversive that I ever gave money to. I will admit the possibility because either she did or I did. It was my money in either case, because she wasn't working.

Executive Officer: Did they have a collection at that meeting-and did you contribute?

A. They had a collection.

Q. You think you made a contribution?

A. That's right.

Chairman: Did you attend any other meetings of the same organization?

A. Not that I know of. I don't know.

Q. Were there meetings of the same organization that

you might have attended?

A. I'm pretty sure I've never gone to any meetings as such. There may have been another dinner, maybe. I went to a dinner in '46—I'm not sure whether it was '46 or '47.

Executive Officer: Were you going out a lot about that time with your wife?

A. What do you mean?

Q. I mean going out to eat and going to parties.

A. We didn't go to many parties and we didn't go out to eat. We went—well, we were eating very little at home. Things were pretty rough at our house.

Q. Where were you living?

A. Harvard Street. We lived there until the marriage broke up.

Q. Do you remember it pretty pointedly?

A. I remember going to a Southern Conference dinner, yes, sir. There's no question in my mind about going to a Southern Conference dinner. The first time I ever heard of the thing being subversive was from your letter. It mentioned it was. I had nothing more to do concerning it in any way, shape or form after I left Washington in June of '47, absolutely nothing to do with it.

Chairman: Might you have had something to do with it between the 7th of April and June?

A. Not that I know of.

Q. During 1946 and '47, you and your former wife were closely and sympathetically associated with Richard and [fol. 128] Elizabeth Sasuly. Will you explain this connection fully to the Board, please?

A. Yes, sir. Mr. Sasuly was my wife's immediate supervisor in the Government, and we saw them very infrequently after our marriage until the time that Mr. Sasuly got

drafted. By infrequently, I mean three or four times, I would guess. He then came back from the Army in late '45, I would guess, or sometime around then, sometime in '45, and we continued to see them infrequently. Now, my wife seemed to have a strong attachment towards him. She sort of looked up to him. Why, I don't know. I never felt very friendly towards him. He was a fellow who always seemed to me to be looking down his nose at me and we didn't have much to talk about in common. However, in early '46, this went on, this infrequent meeting. In early '47, through a friend of his, a woman he knew, he was told about a company in Columbus, Ohio, called General Homes, who was starting to manufacture prefabricated houses out of aluminum and the people who were doing it were very ignorant of fabrication methods of handling aluminum; so, he approached me with the idea. He knew I was an engineer and we were building the Ercoupe and he knew business was bad, very bad at the factory, and he approached me about the idea of doing some consulting work with General Homes. I asked my boss-I don't remember whether it was Mr. Berliner or Mr. Wells whether it was satisfactory for me to do some additional work out of the plant, and they said, "Yes", that it was. I also told them I thought, because from what I knew that they were doing, I knew they would need our equipment. I made arrangements to do consulting work. Mr. Sasuly said since he arranged this deal he felt he should get some share of the extra money that came out of it. I said, all right, that that would be okay. He said in return for that, he would try to get additional business and then he insisted on forming a partnership agreement, a formal agreement which he had done with some lawyer friends of his. I met them once or twice. I told the FBI they were a disreputable group of characters, too, these lawyers. I went out and did the consulting work out there and I had very little confidence in this company's ability to get the job done. However, I did [fol. 129] manage to sell them because they needed some of our machinery from ERCO, which was good for that period, particularly because things were very bad. It was about the only machinery we sold during that time.

Board: This was when?

A. This was the spring of '47. Well, we finished up the work at Columbus, I did, and then I said, "Is there any other work?" Well, Sasuly—the only thing he seemed able to dig up was an idea to set up a plywood plant with Yugoslavia and he was handling that. But, finally, we got into an argument over it in this way: He prepared a letter to the State Department requesting a passport for him to go to Yugoslavia in connection with this plywood plant. Well, about that time, our country—this was late spring, I guess, in May or June of '47-was getting into an argument with Yugoslavia. I don't remember whether they had done anything to us yet or not, but I felt that this was a very wrong thing to do and he wrote up this letter and I refused to send it to the State Department and that was the end of our relations. It was shortly after that that my first wife and I left Washington. I just didn't have anything more to do with him after that.

Q. You haven't mentioned the Greene Engineering Company...

A. That was it. It was the partnership.

Chairman: That was what it was called?

A. Yes.

Q. How long did it exist?

A. I would say four or five months. It existed the length of time that I was working, as I can remember, on Saturdays in Columbus, Ohio, for General Homes on this house. When that ended, there was an argument about this letter and I was unwilling to send it.

Executive Officer: It was with ERCO's permission that you formed this partnership?

A. That's right, yes, sir.

Q. And they agreed that you do it?

A. Yes, sir.

Q. Were you working for ERCO also?

A. Yes. I did the work for General Homes on weekends. I flew to Columbus. I was in the field working on drawings and also stamping out metal parts.

Chairman: Greene Engineering Company became a partpership? [fol. 130] A. It never existed.

Q. It never existed?

A. It never did exist.

Q. Just something you talked about but didn't exist?

A. We had a letterhead, that's all. We never had any stock. It consisted of a partnership, which I had two-thirds and he had one-third. He insisted on that because he said he got the business and that was his contribution.

Board: What was the status of Yugoslavia at that time with respect to Russia?

A. They were friendly. That's the thing that broke it up. I knew they were no people to be working with. What happened, it was right at the end of our partnership that the trouble started and it became obvious to me that something was wrong.

Executive Officer: How about your social relations with Sasuly?

A. My wife was quite attached to him and I would say we went to his house maybe ten times. They came to our house very infrequently.

Q. Did they give you any inclination of being Commu-

nistically inclined?

A. By the end of '47, I knew they were.

Chairman: By the end of '47?

A. Yes, because this Yugoslavia thing was a dead giveaway. He wanted to go to Yugoslavia and I didn't think there was any reason for his going.

Executive Officer: Were you suspicious before your partnership that these people might have been, before this time?

A. I knew they were very strong, very active in the union. They felt strong, very strongly for the unions. They never discussed Communism with me.

Q. Was your wife receiving that Russian Soviet maga-

zine we talked about at that time?

A. Yes, sir.

Q. Was she getting the DARLY WORKER or any Communist paper?

A. No, we didn't get anything else. I think she had a subscription to one other magazine, which I can't think of, that—New Republic—that's it, I would say.

Chairman: Mr. Greene, did you ever have any connection during this period with Vaso Syrzentic?

A. The FBI told me who he was when I talked to them ...

Board: You mention the FBI—would you clear that up? [fol. 131] A. They interviewed me in October of this year in connection with this, I assume.

Chairman: Before you were denied?

A. Before.

Board: You're speaking of the FBI, I got the impression that it was a contemporaneous thing.

A. No, sir. I'm sorry. The only time I've ever been interviewed by the FBI was in October of this year . . .

Counsel: Last year.

A. Last year—1951—I talked to the FBI at that time. I wish there had been somebody who would have given me some inkling of what was going on, but there wasn't.

Chairman: Would you explain your connections with Vaso Syrzentic?

A. I didn't know who he was—I don't know how I met this man.

Q. Did he come to your home?

A. Yes, Sasuly, but he called me up and said he wanted ...

Q. My question is to ask Mr. Greene to explain his connections with Vaso Syrzentic.

A. One day Mr. Sasuly called me up and said he had a lead that he thought we could do some consulting work for Yugoslavia—it was late in the spring of '47—and he said would I come down with him because he didn't know anything about the technical end of it. I think the man we saw at that time was the man you just mentioned.

Q. When was that?

A. Spring of '47 and we discussed the possibility of building a plywood plant and doing the engineering work

for it over here and building a pulpwood plant—I'm pretty sure it was a plywood. The FBI said pulpwood. I think it was plywood.

Q. How often did you see him?

A. I think I only saw him once.

Q. And you were discussing this project. You were talking about this. Was that the purpose of the visit?

A. Absolutely.

Q. Did he eyer come to see you!

A. No, sir.

Q. Will you explain your association and connections with David Rein?

A. Rein and Forer—F-O-R-E-R—were two lawyers. I think they had a law firm and were the ones who drew up [fol. 132] the partnership agreement and my only contact with them was when we drew up the partnership agreement that Sasuly and I made in the Spring of '47.

Q. For the Greene Engineering Company that you

planned?

A. Yes, sir.

Q. Who brought the lawyers?

A. Sasuly. They were his friends.

Counsel: Did you know them before?

A. Never, or since.

Board: From Washington, D. C.?

A. Yes.

Chairman: Did you ever have any social connections with them?

A. No, sir.

Q. Any political connections?

A. No.

Q. Did you see him, or them, on business?

A. I think I only saw them once, possibly twice

Q. Whereabouts?

A. In their law office.

Q. Whereabouts?

A. It was on K Street, near 13th. That was the only time I can think of. I had nothing to do with them since, so, I don't know what they're doing.

Q. Did you attend any meetings with Rein?

e. A. No.

Q. None at all? The only time you ever saw him was in his office?

A. I may have seen them once at one other time when Sasuly—I think I saw them one other time prior to going to their office, at the YMCA, in Washington, D. C., maybe a week or two before the partnership agreement.

Q. Spring of '47?

A. One or two weeks before the partnership was drawn. There was a discussion about drawing up the partnership there, as Sasuly thought—he got the idea he ought to get a share of the profits.

Q. Did you ever see him at the Russian Embassy?

A. No.

Q. At any other associations?

A. The only association I belong to is the Institute of Aeronautical Scientists.

Q. Did you have any common friends?

A. Sasuly, who introduced me.

Q. When did you last see him?

A. Rein?

[fol. 133] Q. Rein.

A. Spring of 47.

Q. You've never seen him since?

A. Absolutely no. None of these people that I believe are under question here did I know first. None of them have I seen—outside of settling some furniture argument, that was with one person—since I left my wife, since we were separated. I have not since, or before I knew her, known of them as being my friends first. I have nothing to do with them. I don't care to have anything to do with them.

Board: The firm you mentioned, Mr. Greene, is Forer and Rein at 711-14th Street.

- A. That wasn't the address, then.

Board: They are now on 14th Street, Northwest.

Counsel: May I go off the record for a moment here, Mr. Chairman, in regard to this?

Chairman: Yes, certainly.

Chairman: All right, we're back on the record again.

Appellant: The first time I knew anything about that law firm was when this FBI person interviewed me in October of '51, when the FBI man told me they were bad eggs. He told me that in a friendly way. He said they were not good people to do business with. That was the first indication I had that they weren't good. I knew they knew Sasuly and since then, I've figured out that anybody who had anything to do with him was a bad egg.

Chairman: Will you explain your association and connections with Nathan Gregory Silvermaster and his wife, Helen? Did you have any social connection with them?

A. Yes, sir. Mr. Silvermaster was my wife's boss—top boss—when she worked in the Government.

Q. He was over Sasuly?

A. Right, over Sasuly. I don't know what his job was; I don't know what his title was. It was in the Department of Agriculture and from what my wife told me and from the way she talked about him, I imagine it was a rather high position. I hardly saw him or his wife until '45 or '46. I may have seen them once or twice in a year. Late in '45, I would guess, or early '46, we began to see them maybe [fol. 134] once a month or maybe once every two months. Up until that time, it was much less frequently than even that. My wife thought very highly of Silvermaster. She thought he was a very famous man. I got the impression she thought he was an outstanding man, or something. I had no feelings about him or his wife at all because I didn't know much about them. They had a fellow living with them, Ludwig Ullman-U-L-L-M-A-N. The time I first got to know him, he was a Major in the Air Force.

Q. About what time was that?

A. '45, as I had seen them occasionally before that.

Q. This is Ullman?

A. Ullman—whenever I saw the Silvermasters, I saw Ullman, never one without the other.

· Q. He was a bachelor?

A. A bachelor living with them. A very quiet guy, he didn't say much. My wife wanted to go and visit the Silvermasters and, so, we went there and I discovered, in

talking to Ullman, who liked to do wood workings, that I had somebody I could talk to. This may seem strange, but of all my wife's intellectual friends, if you want to separate them that way, I couldn't talk to any of them because they weren't interested in talking about things I was interested in, and I wasn't particularly interested in talking about things they were interested in. When I met Ullman, he had this wood working shop and he had a machine, a lathe, which he didn't know how to use, and I showed him how to use the lathe and cut strips from wood and things like that, and we would go to the basement

Q. Silvermaster's house?

A. Yes. And my wife would stay upstairs and talk to the Silvermasters. We never talked much together. We'd normally talk and say a few things when we came in the door and when we were eating. Now, this is a point that I made before, I think on the affidavit: When we went to the Silvermasters' house, we'd have a meal there, we'd go there for dinner and it was a very pleasant dinner because at that period, our marriage and home life was in very rough shape and I went there and I could get along with Ullman. It seemed to make my wife happy to go there and [fol. 135] it was about the only people I could get along with. Now, the last time we saw them was in the spring of '47, maybe once a month we saw them; maybe once every two months. I'm not sure. At the same time, to show you the kind of thing I was up against, prior to that or about the same time, we were visiting Wilson Compton's home.

Counsel: He is a friend of your wife's?

A. First cousin through marriage. We were visiting them much more frequently than we visited the Silvermasters'. It may have been a little earlier or later, I don't remember. They were lovely people. You couldn't find better people. I went with her where she wanted to go because sometimes we went where I wanted to go. With Ullman I had a place to go to spend some time and I didn't discuss—I'm saying "I", but— we didn't discuss politics. I know he was sympathetically inclined towards Russia when he was a Major in the Air Force. That was when the war was just about over. But he just didn't discuss politics. The

main discussion of politics I ever had was about unions and unions didn't even interest me. I felt if my wife wanted to be in the union, that was her business.

Board: Why was she in the union? She wasn't working.

A. She injured her back in a ski jump and she fractured her vertebrae, or something, and when that happened, I believe, was about that time that she quit the Government and started working for the union as an organizer. That was late '45 in our marriage. In early '45, Christmas of '44 or January of '45, she hurt her back and it was about that time that our marriage began to go sour.

Q. All during this time-'43 to '45-she was working for

the Government with Sasuly and Silvermaster?

A. They were in Government.

Q. At the same place?

A. That's right. Now, Ullman, the other contact I had with Ullman, we saw him when we saw the Silvermasters, and not after we left in the spring-in the late spring-of '47, did I see him again. Up to that point, Silvermaster had been working in the Government and I think Ullman had, too. I don't know what Ullman's job was. I think [fol. 136] Silvermaster was working in War Assets. About the most intimate contact I had with Silvermaster was when he had a machine that sprayed his nose and it broke down and he asked me to fix it for him. The most intimate contact, I had with Ullman, he had a Southbend Lathe which he didn't want any more. He did offer to give it to me. Well, I didn't have any place to put it, unsuspectingly at that time, and I asked my best friend, Joe Clements, if he wanted it and we went over to the house and got it and he took it to his house.

Chairman: When was that?

A. Late spring, of '47, and Joe Clements kept the lathe until a friend of his, whom I don't know, who has an optical shop, wanted to buy it and that was the end of the lathe. When the lathe left Joe Clements' house, that was the end of Silvermaster and Ullman. The last time I saw them was in the spring of '47, when we left Washington. I haven't seen them since. I don't want anything to do with them.

Q. Did you ever attend any meetings with the Silver-masters?

A. I don't remember any.

Q. Did you see them at parties at the Russian Embassy?

A. I never saw them, I'm pretty sure.

Board: Will you describe your meeting with the Sasulys and the Silvermasters? At the time when your wife was speaking about these things in which you weren't interested, you say you went down to the basement in the workshop with Ullman, what were these things they discussed?

A. Union activity.

Q. They didn't speak of Communism or Russia?

A. It may have had something to do with Russia; when Russia would win a victory, they were proud of it.

Q. You mean '46?

A. Yes.

Q. When were these meetings?

A. '45 or '47, during that period.

Q. When they visited your house?

A. They didn't visit our house more than once or twice during that period.

Q. When and where were the meetings?

[fol. 137] A. At Silvermaster's house.

Q. And the subjects in which you weren't interested was about the Russian victories?

A. That was late '45 that they talked about my first wife's

union activities, and things like that.

Board: (Interjecting) In '45 the war was over with Japan and in the spring of '45 it was over with Germany.

A. But they were still talking about it. I think what happened—Ullman went over to Europe as a Major in the Air Force in late '45 and when he came back, he talked about the war:

Q. You had reason to suspect at that time that Sasuly and Silvermaster were Communistically inclined and sympathetic?

A. Yes, sir.

· Chairman: Did you do any experiments—any photographic experiments—at that time with Silvermaster in his home?

A. No, sir. See, I read about Elizabeth Bentley at the Silvermasters'. That's when I heard about them.— The most I ever did in connection with photography was with Ullman, what he told me about fine grade development. He did beautiful photographic work. He was an excellent photographer.

Q. You mentioned that you showed him how to use his lathe but you never mentioned that he showed you some things in the photographic line. Did you have any experiments with Ullman and Silvermaster with photographic

material?

A. No, sir. I never did any photographic work with Ullman or Silvermaster whatsoever.

Q. Mr. Greene, will you explain your association and connections with Martin Popper—P-O-P-P-E-R! Did you have any social connections with Martin Popper!

A. I don't know whether you call storing furniture social.

Q. I'd like to break that down into social connections; business connections, and political connections.

A. The Poppers moved in near where we lived on Harvard Street sometime, I think, in '45 or '46-I'm not sure when-a couple of doors down from where we livedmaybe three or four doors down. I think now-my impres-[fol. 138] sion up until now has been that my wife met his wife over the backyard fence. They had a little kid and they got to talking about the kid,-that's the impression I had up until now, and I discovered that they both knew Sasuly. Maybe I'm wrong about that but that's what I believe is the way she met him. My wife and Mrs. Popper got to know each other socially over the backyard fence. I don remember ever going anywhere with them or doing anything with them socially. They may have come into our house-Martin Popper didn't-his wife would drop in during the day or evening and my wife would go over there. and sometimes I'd go over and get her to come home. I had no friendship with them at all. I'm sure that Mrs. Popper didn't like me and I'm sure she told my wife so.

Q. Any reason for that, in your mind?

A. She thought I was too conservative, too darn conservative.

Q. She was quite a liberal?

A. I would say so. I know she was very strong about unions and going out and fighting for rights for unions and things like that. When we left Washington, that was my most intimate contact with the Poppers, which I'm about to describe. - We left Washington, I think it was June of '47. Our house was sold that we lived in. We rented and it was sold. I asked my wife to go up to Vermont with me. We had been thrashing out this problem of divorce for about a year. It had come up in the summer of '46 and she was going to leave me and then we made a trip to Cape Breton Island and went with her mother and we never once heard any mention from her or her mother that she was interested in left-wing politics at all. We had a wonderful trip. We discussed our divorce up to this point and said, "Let's see if we can do something about it." It was a matter of pride with me. I hated to break up a home. Things were bad all through '47. I tried to be a good scout and go along and let her do what she wanted to do. I spent all my weekends flying in planes and sailing with my friends. We didn't see an awful lot of each other. Maybe once or twice a week was the most we'd spend together. I asked her, "Let's go up to Vermont." When the house was sold, I [fol. 139] asked her and we had a terrible argument shortly before that, the worse we ever had.— This is digressing from the Poppers.

Chairman: We have plenty of time.

Appellant: I don't want to make this too long-winded.

Chairman: We want to get the whole story's significance, before the Board.

Appellant: A fellow came one night about 11 o'clock—this was late spring, shortly before we left Washington—a fellow whom I vaguely recollected. He came down at 10 or 11 o'clock at night and banged on our door. We were upstairs sleeping. So, I went to the door and it was this fellow, Steve Rosner, whom she later married, and he had with him, I think, three people—three women—and they had come down to Washington. This was typical of the things I had to put up with. They were here to protest something—they were always going out to have mass meetings to protest something. Well, they wanted to sleep at our house, these three women and my wife asked me if it

was all right and I said, "No". She said that she's going to have them sleep there anyway. I said, "You're not doing it. If you do, you're doing it against my wishes." The next morning I got up, went downstairs to go to work and these three people were there. One of them was colored. I'm not bigoted, but...

Board: I got the impression that there were three people

and one was colored?

A. One was a colored woman.

Counsel: Rosner was with them?

A. He didn't stay. He left. He stayed some place else. I don't know where. I objected strenuously to it. I said, "I don't want them in my house." Maybe I'm bigoted, but I didn't want them sleeping in my house. So, we had a bitter fight. I think that's what made her make up her mind. That was the big fight we had prior to leaving Washington. We didn't talk to each other for almost a week. Then we decided to leave and we had a lot of furniture and possessions-tools and equipment-so, she got the Poppers, who had moved away from Harvard Street up to some place on Connecticut Avenue with a big house and a big attic, and [fol. 140] asked them to store the furniture there. They stored it and they are the only people I saw after our divorce who were her friends, and I saw them once after the divorce, or twice-I guess it was once to get the furniture—I got some furniture when I was rooming. I went over to get a desk before I was married again; and I went over to get my furniture after I was married. It was the spring of '48. They are the only people I saw after the divorce and that's all the contact I had with the Poppers.

Chairman: You never went to any meetings with them or saw them at any Russian Embassy parties?

A. No, I don't remember seeing them there.

Q. You didn't belong to any organizations or clubs that he belonged to?

A. No, sir.

Board: Did you have any reason to suspect that they were sympathetic with the Communists or that they were Communists themselves?

A. Yes, I did, at the very end, because at that point, Harry Bridges was being investigated, or being deported or something, and it was going on about Harry Bridges for some time then, and I heard them speak of him in a friendly way.

Q. That was in 1947?

A. Yes, sir, spring of '47.

Executive Officer: Did you agree to have your furniture stored there knowing that?

A. Yes. As far as I was concerned, it didn't hurt the furniture and it saved money. We even tried to have it stored and it was so high—several hundred dollars.

Q. Did they do it free?

A. Yes.

Q. And you agreed?

A. Yes, sir.

Q. They did this for your wife?

A. They had no use for me. They would talk to me when I was with my wife. When I went to their house to get my furniture, I remember fixing something for them. I was to these people a good mechanic and if there was something wrong with the wiring in a washing machine, I'd be the person they'd ask to fix it, and they were nice to me for that reason.

Chairman: Would you tell the Board why Martin Popper maintained a box for film with your name on it in his photo[fol. 141] graphic dark room?

A. Did what?

Q. Did he have a photographic dark room?

A. No.

Q. You have been down there?

A. Yes.

Q. Was he interested in photography?

A. No, sir. Boy, I don't know what he's interested in. I'm completely surprised. If he were, why, you'd never know it.

Q. You'd never know?

A. I'd never know. I left some equipment there, yes.

Q. Would they be in a box?

A. Well, he had my enlarger, my developer, my tank developer, and stuff like that.

Q. Did he have a dark room?

A. I don't know.

Q. It could have been in his home, belonging to you, labeled as such?

A. Absolutely. What happened, when we broke up, we separated and I went there after I came back from Vermont and separated the stuff and my photographic stuff was labeled and it had my name on it, I'm sure, when it was stored there. I'm sure of that.

Board: Did that include film?

A. There may have been film.

Q. What was on the film?

A. Darned if I know. It could have been anything.

Q. Did Popper make prints of the film?

A. I don't think he's capable of it.

Executive Officer: Did you have any blueprints there?

A. I don't think so. There may have been some on the airplane, that's about all.

Chairman: Could he have made copies of blueprints of yours?

A. Not to my knowledge.

Q. Not to your knowledge?

A. Not at all, no, I don't think he was capable of doing it in my opinion, from what I knew of him.

Board: Did I hear you speak of blueprints of a plane?

A. The Ercoupe.

Q. That was not military . . .

A. I had no military . . .

Q. Wait until I ask my question— Was that classified or wasn't it?

A. Absolutely not.

[fol. 142] Chairman: Did Ullman make any copies of blueprints for you?

A. Absolutely not, not that I know of, never with my permission or knowledge.

Board: Was your private plane an Ercoupe?

A. Yes-not right now-I don't have. I owned two Ercoupes.

Chairman: I think you've pretty well explained your connections and associations with Ludwig Ullman. Is there anything more about him that you'd like to say that you haven't said?

A. Except that my only connection with him was in his shop talking about his hobbies and they coincided with my own self-defense, because it was somebody I could talk to.

Q. Did you attend any meetings together?

A. No.

Executive Officer: Did he come to your house?

A. I believe Ullman and Silvermasters came to our house once or twice, and didn't stay for dinner. They were very—we got the impression from them that they were very much stay-at-homes.

Board: Was Ullman of German stock?

A. I don't know. His home was in Mississippi or Missouri, some place our West.

Q. When was the last time you saw him?

A. The spring of '47.

Q. Did you ever have any reason to suspect him as being a Communist?

A. Not Ullman, no, sir. The only thing I noticed, he took a picture in Berlin of the Russian Monument there and put it up on the wall. That was the only thing.

Chairman: Will you explain your association and connections with Frank J. and Madeline I. Donner—D-O-N-N-E-R?

A. Those people are very vague in my mind and it was not a close association at all, and he—Donner—I can't remember who he was a friend of. I think he was a friend of Sasuly or Waybur—I'm not sure. And I don't have much knowledge or association with them, nothing like it

was with Sasuly and the partnership and Ullman with hishobbies. We may have seen them. I know who they were. I have a picture of them in my mind. They have a child. [fol. 143] Q. Did they come to see you?

A. I believe, oh, three or four times.

Q. Did you ever go to their house?

A. I remember going there once, anyway. I saw their baby.

Q. When would that have been, about?

A. I imagine around '46, someplace in there, plus or minus six months. I don't know—I don't have a clear picture of this at all.

Q. Would you have seen them at meetings that you at-

tended where they might have been, do you remember?

A, I don't remember.

Q. Did you go to any meetings with them?

A. I don't remember.

Q. Did they go to any meeting with you?

A. Not that I can remember. I don't have a clear picture of them at all in my mind. He was a big fellow, his wife was little.

Q. Would you have seen him at the Russian Embassy at any time that you were there? Would he have any reason to be there?

A. I don't know. I just don't know.

Q. What did Donner do? What was his business?

A. He was a lawyer. That's all I know about him.

Q. How did you meet him?

A. My wife knew him some way. I have no clear picture of him at all in my mind. I know he was a friend of my wife's, or some friend of a friend of a friend of my wife's.

Q. When was the first time you recall hearing of them?

A. I just don't know. I don't know of any recollection of them at all. They just don't stick in my mind clearly.

Q. When was the last time you saw them, if you saw them?

A. If I saw them, it ended when I left Washington in June of '47. That I'm sure of.

Q. Would you explain your association and connections with Russell Nixon and his wife? Who are they?

A. They were friends of Waybur and he was active in the CIO union,

Q. Nixon was?

A. Nixon was, and I have a clearer picture of them than the Donners, relatively speaking. The only time we ever did anything social with him that I can think of was a trip [fol. 144] to Nag's Head, which we made with a group of people—the Nixons and Sasuly and his wife and myself and my wife and one other couple—this is something the FBI asked me in October, '51. I've been trying to figure out— There was another couple, but I can't think who they were: We went to Nag's Head for the CIO convention, I believe, on Decoration Day. The Nixons, I don't believe were in our car. My wife and I did not stay with them, with Sasulys and the Nixons.

Q. What year was that?

A. Spring of '47. We didn't stay with them.

Q. Decoration Day of '47 was pretty close to the time

you were breaking up, is that right?

A. No—maybe it was '46. I've been to Nag's Head three times on Decoration Day since, I believe, my first wife—I'm a little confused— Maybe it was the spring of '47 or the fall of '46.' That's the only reaction I have to the Nixons. They stayed at a hotel and we didn't stay with them. We met them.

Q. Who introduced you?

A. Bruce Waybur, who worked with my wife in the Department of Agriculture. The only reason I suspect him is hindsight now—it's completely hindsight—that, you know, his union got kicked out of the CIO. The reason I know that, I think my ex-wife is working for it. I'm not sure, I think so,

Q. Did you ever attend any meetings with the Nixons?

A. No

Q. Did they attend any with you?

A: No.

Q. Did they visit your house?

A. No.

Q. Did you go to their house?

A. No.

Board: Did you have any reason to suspect that he was sympathetic to Communism?

A. No, none, except, this is, the union activity.

Q. What union?

A. United Electrical Workers—CIO.

Q. They were kicked out of the CIO because they were Communists!

A. Later I read about it, yes.

Chairman: Will you explain your association and connections with Ed Fruchtman and his wife?

A. I can't remember that. You're asking me the same question the FBI did. I have a recollection—a very faint recollection—of Fruchtman and his wife and I think they [fol. 145] lived in Georgetown, and I think we went to their house once. They may have been the couple that went on that trip to Nag's Head. I don't want to say that for a fact. I don't know—I'm not sure.

Q. Would you know how many times you saw them and about when?

A. It was around the time of the Nag's Head trip, I would guess.

Q. You said you were on three Nag's Head trips.

A. They were all later. I'd say the spring of '46 or early—maybe earlier—and maybe three or four times.

Q. Who introduced you?

A. I don't know.

Q. What does he do?

A. I don't know. I don't know what he did or does.

Q. When was the last time you saw them?

A. I didn't see them after June of '47, that I'm certain of. One thing with these Fruchtmans and Donners, I didn't pay much attention to them. I was there, they were there; they were polite to me; I was polite to them. They didn't make any impression on me.

Chairman: We'll break here for a few minutes, gentlemen.

Chairman: The Board will come to order. Let the record show that the Board reconvened at 2:00 P. M. All the

Board members that were present when the Board recessed are again present, together with the Appellant and his Counsel. Mr. Greene, I would like to remind you that you are still under oath.

A. Yes, sir.

Q. Will you explain to the Board your association in connection with Isadore Salkind and his wife?

A. Wife?

Q. Isadore, Salkind?

A. I guess he is married.

Q. Explain your connection with any part of his family!

A. I met him shortly after we were married,—I believe — My first wife and I were married in early 1943 and I saw him once or twice and the only reason he sticks in my mind was because he was a rival for my first wife's hand, as I found out later on, an unsuccessful one, and he disappeared from the scene. Subsequently, after the war, I [fol. 146] think I saw him once. Now, the same thing applies to his brother.

Q. Who is he and what does he do?

A. He works for a union; and I think he worked in a government office where my wife worked.

Q. Now, when did you meet him and what were the circumstances?

A. Either—I think he was a friend of Waybur's. You see, Waybur worked in my first wife's office and so did he and I think I met him at their apartment, though I am not sure, and my wife mentioned to me, at the time, that he had been interested in marrying her and that he had proposed to her. I met his brother at the same time and he got drafted after the war. I don't think he was in Washington.

Q. When was the first time you saw him?

A. Early 1943.

Q. When was the last time that you saw him?

A. Maybe '46.

Q. How often did you see him? I mean in between times?

A. None.

Q. When did you see his brother?

A. About the same time.

Q. Did you see them together or separately?

A. Together. I may have seen him once, separately, his brother.

Q. Did they belong to any clubs or organizations or go to any meetings with you and your wife?

A. No, not that I know of.

Q. What were the circumstances under which you would meet them and where?

A. Somebody's home.

Q. Did they come to your home?

A. No.

Q. At whose home did you see them?

A. At Waybur's. He seemed to be a good friend of his.

Q. Anything else you want to say about them?

A. No, I had nothing to do with them ever.

Q. How about Bruce and Miriam Waybur? Let's get into that and tell the Board all you know about them.

A. He was probably the first of my wife's friends that I met and I think I met him before we were married, and he was a very personable sort of guy. He was a Rhodes Scholar.

Q. Before you were married? When you were going together?

A. Yes, sir.

[fol. 147] Q. Did you know them before you started go-

ing with your wife?

A. Heavens no! I did not know a single one of these people before I knew my wife, first wife, nor did I meet any of them except through my first wife, nor did I see any of them after my first wife and I were separated. He worked in her office and he, as I said before, had a big influence on her.

Q. Waybur and Sasuly were her bosses?

A. Yes, and I might add that whatever he said it had a big influence on her.

Q. Did Sasuly work for Waybur or vice versa!

A. I don't know what the office relationship was.

Q. What kind of job was it? What was the nature of the work they did?

A. Départment of Agriculture.

Q. What kind of work did they do?

A. They were economists, to the best of my knowledge.

Executive Officer: Are they still there?

A. No, no, indeed. And, we saw them once or twice before our marriage. Now, he was the guy I had the big argument with over closed shops. That sticks in my mind very clearly and I think that ever after that, he just didn't talk to me much, but he was very friendly with my wife, and I resented it. It wasn't—it was just a mental friendship, nothing physical, because as far as I know he and his wife were happily married. They were just another happily married couple, to the best of my knowledge, but we saw them quite often when we lived in the same house with them. We saw them coming in and out.

Q. That was on Eye Street?

A. Yes, sir; in 1943, and he was working for the government, and then he got drafted—in 1944, I think, before we even left that house he got drafted and then I didn't see him again. After the war I saw them very infrequently. We visited once in Virginia where they lived after the war, and I don't think so, but they may have visited our house in return to the visit we made them once, but we saw them very infrequently after the war. I haven't seen him either after June of 1947.

Q. When did you say?

A. Probably in 1946, maybe early 1947.

[fol. 148] Q. They had moved from Eye Street then?

A. He got drafted in 1943 and then, I think, when he came back out of the Army in 1945 or 1946, whenever he got out, and then they lived in Virginia a long way from us and we saw them once or twice.

Q. Did his wife work?

A. I don't think so.

Board: Did you have any reason to suspect that he was sympathetically inclined towards Communism or interested in it?

A. Well, we had this argument.

Q. That was about unions?

A. Yes.

Q. Didn't that make you think he was on the wrong track?

A. Well, I didn't think much about it until after the war when he was with the union and I heard about the UE-CIO, or whatever it was called, being a left-wing union and getting kicked out of the CIO, and then I began to feel suspicious.

Q. That was seven years ago. Can you fix the date a

little more definitely?

A. Well, after my wife and I were divorced I got a pretty good idea. I learned a lot the hard way during our marriage and towards the end of it, and since my marriage I have had a terrific . . .

Q. When did you first suspect him of Communism?.

A. I never did. I suspected him of left-wing leanings, probably. I saw him one or two times in 1946.

Q. That was a year before you were divorced?

A. That's right, and I didn't see him and his wife very often—they weren't very frequent visitors of ours after the war and he was never friendly with me.

Chairman: Is there anything else you want to say about the Waybur's?

A. No, I don't think so. There is one thing I would like to say, gentlemen, and that is, in the allegations contained in your letter, no names were mentioned, and when I prepared my additional papers, my affidavits, I used the names that the FBI had asked me about in October of 1951. That is all I had to go by.

Chairman: If you want to bring out any names that haven't been mentioned and elaborate on them, it's all right. [fol. 149] A. The only thing I can say now is that those people are alien to me—just as completely as they can be—I want no part of them whatever.

Q. Mr. Greene, will you explain to the Board your association and connection with James William Lewis and his wife, Shura Lewis.

A. Shura Lewis was a Russian woman who was living in Washington. Now, my first wife's mother heard about her, I think, through Pearl Buck as a possible teacher for her.

mother's school in Putney, Vermont. Now, this was in 1946, I think. She contacted my wife and she was asked to contact her mother to see about teaching in the school. About the same time that happened, Shura Lewis short off her mouth in some public school here, and there was a whole lot about it in the newspapers, about her spreading propaganda about Russia. My wife saw her and I saw her, I think, once or twice after that happened and her mother dropped the idea of her being a teacher there after that happened, and that was the only contact we had with her. We never saw her again or had anything to do with her after that. Maybe my wife did unbeknownst to me.

Q. You did meet her?

A. Yes, sir.

Q. What were the circumstances? Tell the Board how this all came about.

A. Yes, sir. She received a letter from her mother asking her to get in touch with my wife, somehow or the other, I don't know just how, but she got in touch with my first wife.

Q. About when would that have been?

A. 1946, I would guess, sometime in 1946. She came over to the house once or twice, I believe.

Q. At your wife's invitation?

A: Well, they talked over the telephone about it and then she came over to see my wife and then we went to her house once. I went with my wife, not by myself. She asked me to go with her so that I could walk the dog while she was talking to her. Well, we went over there and talked to her about fifteen or twenty minutes, I guess. Now, I think that my wife had seen her up at the Unitarian Church, possibly. I think she was teaching Russian there, I don't know. After that I had no further contact with her beyond those two or three times that I saw her, and it was all close together over the period of a week or two, and then it ended.

[fol. 150] Executive Officer: It was just that one incident alone?

A. Yes, sir.

Q. Nothing further? No other contacts?

A. No. The way the whole thing came about was the idea of her teaching in my wife's mother's school. I think my

wife saw her after the publicity to talk to her about the effect of that on her being a teacher, and why she wouldn't be able to teach in the school, and I think the relation with Shura Lewis was compressed within a month or so. It was a very short period. She didn't know any of these other people that you have mentioned—never saw them.

Chairman: So, when would you say was the last time you saw her?

A. Whenever it was in 1946—it was within a month of that, I guess.

Board: You mean that she had no connection with these other people, the Wayburs, Sasuly, Silvermaster and Ullman?

A. Who?

Q. Shura Lewis?

A. No.

Executive Officer: You mean that there was no tie in?

A. That's right, it was a completely unrelated incident.

Q. And, as far as you know, Shura Lewis didn't know these other people and they didn't know her?

A. Yes, sir.

Chairman: Tell the Board something about your association and connections with Samuel J. and Bella Rodman?

A. I saw them once or twice, never socially, and in fact I was a little obscure about them. Well, Rodman, let's put it this way, I am not sure who Samuel and Bella are. I have heard the name. There were two Rodmans that I met. One was a short fat fellow and the other one was thin. They were two different men—I think they are brothers—and I might have met them in connection with this housing project, I believe, out at Columbus.

Q. Columbus, Ohio?

A. Yes, at General Homes. He had money invested in it and he was out there in the office.

Q. Rodman had money invested there?

A. Yes, and he was out there in the office one time when I was out there. I didn't go out there to see him, he just happened to be there.

[fol. 151] Board: What year was that?

A. That was '47 when I was working on the General Homes deal. The only contact I had with Rodman was business in connection with General Homes.

Q. How did you meet him? Who introduced you to him?

A. Sasuly.

Chairman: Was this during this Greene Engineering Company that was being talked about and which never materialized?

A. That's right, and I had no other contacts with him. We never visited them and they never visited us, this all took place at General Homes.

Q. Where was Rodman located?

A. At that time he was in Washington, D. C.

Board: Did you have any reason to suspect that he had any connection with Communism or was sympathetic towards it?

A. No, I read about it after the divorce but I didn't know at the time.

Q. Where did you read it?

A. Here, fairly recently.

Chairman: Is there anything else you would like to say about Rodman?

A. No, sir. We never discussed anything except General Homes.

Executive Officer: Mr. Greene, does it occur to you that, naturally, all of these people are being brought up were in some way connected with subversive or Communistic activities, and that they all, somehow or the other within a period of several years, gravitated within the orbit of your life and also of your wife's life? What kind of an explanation can you give to that?

A. Yes, sir. At first they were government people, fellow employees of hers, in almost every case, and they had responsible positions. Then the war came and they left, so then for a period of a few years I didn't have very much to do with them. Then, after that, after 1945, my first wife

and I saw her other friends and my friends more frequently and didn't see the others much. I didn't attach too much importance to them. I just felt they were her friends and she liked them and there wasn't much I could do about it. We let things ride along until I could work something out, either a divorce or getting her away from her friends. [fol. 152] There wasn't much of a choice in the matter. I mean that I had to leave her or we had to come to some understanding and that took time. It wasn't until 1947 that I began to sense—it became obvious that there was a clash of interests between what these people stood for in our government...

Executive Officer: Are you trying to say that you took the course of least resistance?

A. No, I was trying to work out a solution that was acceptable. It wasn't the course of least resistance and I sweated blood over the darn thing. Beginning in 1946, the summer of 1946, we discussed the possibility of a divorce or leaving Washington. There weren't in 1947, outside of Ullman and concurrently with Silvermaster and Sasuly, any other involved, and I didn't have anything to do with any of these people after that. I hardly spoke to any of them and it was impossible for me not to let her have any friends.

Q. Did you resent the intrusion of these people into your

home life?

A. Very bitterly! I felt that what they were doing to my wife was alienating her from me.

Q. Were you still in love with your wife at that time and

you wanted to keep the house going?

A. I felt that there was a very good part to my wife that was worth salvaging—the part I knew when I courted her in Vermont and in Boston and when we knew her other friends. She was a very peculiar person and her brother and sister were the same way. They really required study to see what caused . . .

Board: How do you account for the change in her?

A. I don't know what it was, I don't understand it myself. Sheheld these people in awe, these men, Sasuly and Waybur. She held them in awe and I would argue with her about them. I resented Sasuly bitterly but I had to be sociable

while we were in business and as soon as the connection was over I had nothing more to do with any of them. I didn't want any part of them! After my wife and I broke up, I could see it was pride rather than love that was holding us together. I started out so good! For the first time in my life I found somebody who liked to do the things I liked to do. I was very ignorant of politics up until the time I met my wife because I was interested in my work, [fol. 153] and then it began to dawn on me, by the spring of 1947, what was happening; and it finally got to the point where my wife left me. She told me that I was too conservative and that she opposed all my views and that I opposed hers. That is what she told me.

Counsel: You told me once, in one of our conferences before we prepared the affidavits, that your knowledge of these people as being real Communists was derived mainly from having read Elizabeth Bentley's testimony in the newspapers?

A. Yes, sir. I found out about the Silvermasters and the Ullmans from reading her testimony, and that was in the summer of 1948. I had remarried then.

Q. Did any of those people at any time try to persuade you to become a Communist?

A. Never.

Q. Did they want you to attend any meetings?

A. No.

Q. Did you ever go to any meetings with your wife outside of the Southern Conference for Human Welfare?

A. We went down to some Watergate thing where Henry Wallace spoke, and I don't know whether it was '46 or '47, but she dragged me down to hear Marian Anderson.

Q. Did you go to any meetings of Communist organizations?

A. None that I know of.

Q. Didn't you realize that there was something unusual about all these people?

A. I never knew that they were Communists, I have learned the hard way how to spot the Communists. The reason I had to learn the hard way was because during the war those people never said things against our country.

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It wasn't until later that they began to say things and I began to realize that all wasn't what it should be. It takes time to break up a marriage.

Board: What was the date of your first clearance?

A. It was in 1944, I think.

Q. When was the first time you heard of the FBI?

A. I guess when I was a kid.

Counsel: You mean in connection with this incident?

Board: I mean, when did he first hear of the Federal [fol. 154] Bureau of Investigation?

Appellant: When I was a kid, I guess.

Q. You understand what their function is?

A. Certainly.

Q. Now then, in 1946 and '47 when you suspected these people, Silvermaster, Sasuly, and Waybur, who were employees of the Government, as being sympathetic and inclined towards Communism; what steps did you take to clear that up? I am not interested in your marriage, I am interested in the security of the government.

A. I dien't think they were Communists.

Q. Didn't you say that you suspected them of being Communists?

A. Well, then, if I said that I made a mistake. I said that I suspected they were left-wingers.

Q. Wasn't your idea of a left-winger synonymous with that of a Communist?

A. No, but it is now.

Q. Wasn't it then?

A. I thought they were just "liberals",

Q. That is a play on words?

A. That is what I thought at the time.

- Q. What does the word liberal mean in your estimation? Doesn't it mean connected with Communism and Russia?
 - A. No.
 - Q. It did then, didn't it?

A. No.

Q. No?

A. I am sorry but I don't know how to change it. I thought these people were just for the unions and were working for them.

Q. Active union workers? That was after your wife left the government that she became interested?

A. That was in 1945.

Q. That was after she left the government?

A. So were these other people.

Q. I am talking about when she was still in government, still associated with Sasuly, still associated with Silvermaster, and they were coming to your home and you were visiting their homes, and you said that you suspected them of Communism then?

A. It was not at that time, it was later than that. Sasuly was in the Army during the war and she didn't have anything to do with him then.

Q. I am not talking about that time, I am talking about [fol. 155] the time when he was her superior!

A. He was for a very short time.

Q. What steps did you take at that time to protect the security of the United States! I am not interested in your relations with your wife! That's a personal matter!

A. I didn't see anything that required any steps to be

taken.

Q. You didn't?

A. That's right, that's the point I am getting at.

Q. You felt everything was perfectly all right, Sasuly and Silvermaster, and despite your own personal relations with them in business and so forth, you still felt everything was all right?

A. At the time I suspected them of being left-wingers, it was in 1947, and I thought they were economists and

that that was just the way they felt about things.

Q. That justified it?

A. No, sir, not from what I know now.

Q. I am not asking you about what you know now. I want

to know what you knew then?

A. I didn't see anything that I could report to say that these people were threatening the United States. They never said any that was uncomplimentary to the United States then or anything else.

Q. Was that your idea then, that nothing was the matter

with them?

A. Not now, I know it was more than that. At that time

I can say quite frankly that they were talking about how to get people to join unions most of the time. That is about all I can remember.

Q. Of course, we are not involved in unions or union security here.

A. Well, that is what they talked about.

Q. What I am interested in, though, is finding out—You apparently took the blame for this association of these people with your wife and she isn't here. Now, you are here as a witness. Now, then, what I am trying to get at is, what steps did you take to protect the security interests of the United States, knowing those people as you did?

A. I just didn't know anything to report about them.

They never talked to me about Communism.

Q. What made you suspect them?

[fol. 156] A. Well, later in 1947 I could see a clash of interests. They would say that Russia was right about things and I would say that they weren't and at that point is where the lasting clash of interests began. During the war there wasn't any clash of interest.

Q. That was five years ago?

A. Yes, sir.

Q. You didn't do anything then?

A. I told my employers that I knew some people—that was right after I broke up with my wife—I told my employers that I knew these people.

Chairman: What did you tell them?

A. That I knew these people and I asked them if they thought that I should do anything about them, and they said that they thought I didn't have anything to tell. That was in 1948.

Board: You felt that covered the situation?

A. Yes, sir.

Q. Whom did you talk with?

A. Mr. Berliner and Mr. Wells. Up to that point I thought they were just wooly-haired economists.

Chairman: Mr. Greene, were you ever a member of the Washington Book Shop Association?

A. I don't know. I may have joined once to buy some records there in 1942 or 1943.

Q. Before you were married?

A. Just before or just after. That was the only connection I had with it.

Q. Did you pay any dues? A. I think I paid a dollar.

Q. When was that?

A. Late 1942 or early '43. It was before I married. I have no clear recollection of that. I have thought a lot about it because the FBI asked me that question. I know I bought some stuff there, some records to give to my first wife's brother.

Q. Did you ever attend any meetings there?

A. Not that I know of.

Q. Did you know they held meetings there?

A. Yes.

Coursel! Did you know at that time?

A. No, I didn't.

Chairman: When was the last time you bought a book there?

A. '43 or '44, something like that, I believe.

Q. When was the last time you would have paid any dues, if you paid any dues of any kind?

A. Late '42 or early '43.

[fol. 157] Q. That was how much?

A. One dollar.

Executive Officer: Did you know why you were paying those dues?

A. So I could get a discount.

Q. Are you sure that is what they told you?

A. Absolutely.

Q. Did you see any periodicals there? Any unusual ones?

A. Well, I can tell you what I bought there. I didn't notice anything peculiar about the periodicals there. I bought a symphony album there and that was about the only purchase I made there and I got the discount.

Q. Did your wife also have a membership there?

A. I don't know.

Executive Officer: Did she ever buy any books there?

A. She bought some stuff there but I don't remember what it was.

Q. You don't remember what the books were about?

A. No, I don't. The prime interest was to buy gifts that I know of at Christmas time.

Chairman: What Christmas was that, may I ask?

A. 1942.

Q. Before you were married?

A. Yes, sir. I think that was about when it was. That is what sticks in my mind.

Q. Did you know about and go to the Washington Bookshop Association before you met your wife?

A. Absolutely not.

Q. You were never in the place until after you met your wife?

A. Yes, sir, I was in once or twice or three times. It was very infrequently.

Q. The last time, to the best of your recollection would have been 1944?

A. Yes, sir.

Executive Officer: You never bought any books there?

A. I may have, I don't remember.

Board: How many years were you a member of that club?

A. Once, just that one time in '42 or '43. It is almost ten years ago, and I don't have a very clear picture. The question was asked me before and I have tried to remember but it still isn't all clear.

Executive Officer: If you had bought books there, what kind of books would you have bought?

A. Novels.

[fol. 158] Chairman: Such as what?

A. I don't know but they certainly would not have been anything that by any stretch of the imagination could be considered Communistic publications.

Executive Officer: Best sellers?

A. Yes, sir.

Chairman: Will you explain to the Board your association with William Howard Hinton and Joan Chase Hinton?

A. I was associated with them due to my marriage to their sister.

Q. Did you ever know them before you were married?

A. Absolutely not! I met Bill Hinton on the first trip up to Vermont, which was in the summer of 1942 and I saw him a few times after that. He and I did not get along very well. I think he made an effort to get along with me because of his sister, but it didn't work out.

Q. Is he younger than you?

· A. Yes, sir.

Q. Go ahead with your story about him.

A. Well, he and I didn't get along. He made the effort to be polite to me, but I didn't think he liked me. The last time I saw him, probably, was late in 1946 or early in 1947, I think.

Q. What were the circumstances?

A. I think he came to our house.

Q. Because he wanted to see his sister?

A. To visit my wife. I know that he had told my wife that he didn't think too much of me and we had some arguments.

Q. Any reason for that in your mind?

A. Well, I just wasn't interested in politics.

Q. Was he a liberal?

A. Well, he was and he wasn't. He would go one way and then the other way. Sometimes he would say that unions were bad and sometimes he would say they were good. You never knew how he stood.

Q. Was he younger than Jean or was he older?

A. Slightly younger. He was younger than her. He was a peculiar guy. I think he was a very peculiar person.

Q. Where is he now?

· A. I think he is in China.

Q. What is he doing there?

A. I'll be darned if I know.

[fol. 159] Q. Who kept him financially?

A. His mother. He worked on the farm there. He was a very peculiar person and one that I had nothing in common with.

Q. When did you last see him?

A. Late '46 or early '47, I don't know.

Q. How about Joan?

A. Joan, I didn't see very often throughout the war because she was out at Los Alamos, and when she came back we had separated.

Q. She was working for the government?

A. Yes, sir, at the Atomic Energy Project, and I saw her when she came back. She was really a very odd girl.

Q. When did she come back?

A. Late '45. I saw her before she went out there. I think it was at our wedding.

Executive Officer: You have been saying, "I think" and "I think" and "I think". Now, Mr. Greene, please don't insult our intelligence! You were married for five years, and you are a very intelligent man and we know you are from the information that we have. Now, please say as positively what you are supposed to be stating and don't be thinking all the time.

A. Well, I am not clear on dates.

Q. Now, when did you last see her?

A. Let's see. I saw her at the wedding and then after she came back from Los Alamos I saw her up at her home. I don't remember when I saw her at our house in Washington, but she stayed with us for about two weeks before she went back to Chicago. She was doing graduate work at the University of Chicago. She visited us occasionally during that time. Maybe one or two times.

Chairman: When was the last time you saw her?

A. Either late '46 or the spring of '47.

Q. Did you participate in any activities with either William Howard Hinton or Joan Chase Hinton? Did you go any place together?

A. We went skiing and things like that.

Q. Is that all?

A. Yes, sir.

Q. Did she go to any political meetings at all that you know of?

[fol. 160] A. When Joan was here she belonged to the

Society of Atomic Scientists and I drove her off to the place where they had an office once, and that was the last time she was here. We didn't do much while she was here. Most of our contacts with them were up in Vermont.

Q. Is she still in government work?

A. No, she is in China.

Board: What are they doing in China?

A. I don't know what Bill is doing, but Joan is supposed to be raising cows.

Q. For the Communists?

A. Yes, sir.

Q. You say she was connected with the Atomic Energy Project?

A. Yes, sir.

Q. Did she have atomic clearance?

A. Yes, she must have. Now, let me say something about Joan Hinton. At the time I knew her up until the time she left our house in '46 or '47 she had no political leanings one way or the other.

Chairman: What makes you think she has them now?

A. Well, where she is.

Q. Have you heard from her?

A. No, sir.

Q. How do you know she is out in China?

A. I read in the newspapers that she was there, and I heard from her cousin, Alice Chase Gibson, that she was there.

Executive Officer: How did they happen to go out there?

A. Joan went there, to the best of my knowledge, to marry a friend of hers, a boy by the name of Sid ENGST who went there to raise cattle for either the Friends or the Brethern. That was before China was Communist and she went there after I was divorced, so I couldn't know why she went there, but I suppose she went there to marry him.

Q. Was she very close with your wife?

A. The three children were very strange. I don't know whether "close" would be the word.

Q. Did they think alike?

A. No, they were very different personalities. Joan seemed to be a nice young innocent girl that was interested in everything. That was the impression I got of her. Her brother, he impressed me as being a confused fellow who didn't know what he wanted, and my wife, I felt, was going [fol. 161] over to the left. That is the impression I got of them.

Q. Did your wife's thinking and the pattern of her ac-

tivities influence those other two?

A. I don't know whether they influenced them or not. I don't know whether she influenced Joan or not. I think she influenced Bill or he influenced her. I don't know what happened. I know that my ex-wife, Jean, though a lot of Bill and it was mutual. I think they both influenced each other and in that way started thinking alike.

Chairman: It has been reported, R. Greene, that you and the first Mrs. Greene's grandmother, Jean Hinton's grandmother, Mrs. Chase, could not get along. Does that make any sense to you?

A. I thought she liked me! I thought she felt I was a good influence.

Q. Do you still feel that way?

A. I think so. As far as I know, she thought I was a good influence on her granddaughter. I know that she didn't like Jean's friends.

Q. Did she ever take exception to your political views?

A. No, I thought she felt I was very stable. I know that she disliked Jean's present husband because Jean's cousin told me there was vigorous hatred between them, bitter hatred.

Q. Can you think of any reason why Mrs. Chase would have thought you were radical?

A. Heavens no!

Q. Would you think that she is a very conservative person?

A. Yes, sir.

Q. How do you feel about her?

A. I like her. I think she is a very fine woman and she is quite old. She is in her eighties. The only explanation I

can give is that she might be mixed up—she might have mixed me up with the present husband whom I know she hates.

Q. You mean Rosner?

A. Yes. She hates him bitterly. She thought he was no good and I think that way also.

Executive Officer: You think that because of her age she might be confused?

A. Yes, sir. From what you have told me, that is the way I would explain it. She was very friendly with me and I did many things for her, such as fixing her fireplace. She said very nice things about me at the time. Then, her boiler [fol. 162] burst and there was no one around to fix it, so I went there and fixed it for her: I felt when I was up there that she was one of my good friends. She must have liked me!

Board: Did she ever make any mention of disliking your wife's (Jean) radical or liberal tendencies as you describe them?

A. No, she never mentioned that to me.

• Q. Are you making a distinction as to the friends or as to your wife? In other words, did she dislike your wife's radical sympathies?

A. Yes, sir.

Q. She said so?

A. I think ...

Q. Again, as Colonel Mare said, I am getting awfully tired of this business of, "I think" and "I think". Can't you say "yes" or "no" to a question and then qualify it."

A. No, I don't remember.

Chairman: Mr. Greene, do you now, or have you ever, subscribed to the Daily Worker, or read it?

A. No, sir. Pardon me, I have never subscribed to it.

Q. Have you read it?

A. I have looked at it once or twice.

Q. What were the circumstances, tell the Board?

A. It was in our house and I gave it a glancing look. I did not read it thoroughly, and I told my wife that I didn't think it should be in the house.

Q. Did she subscribe to it? A. No, sir. Q. Did she buy it? A. I guess so. Q. Did you see it frequently? A. No, very infrequently. Q. When was the last time you saw a copy of the Daily WORKER to the best of your knowledge? A. About 1944 or 1945. Q. How about the MILITANT, did you ever see a copy of that publication? A. No, sir. Q. How about the FOURTH INTERNATIONAL? A. No, sir. . Q. The New Masses? A. No, sir. Q. Did you ever hear of Virginia Gardner? A. No. sir. Q. Never heard of Virginia Gardner? A. Is that a magazine or a woman? Q. It is a woman. A. No. sir. Q. You never heard of her? A. No, sir. [fol. 163] Q. Would your wife know her, and did she subscribe to the New Masses? A. No. sir. Q. How about THE PATRIOT? A. No, sir. Q. In Fact? Ever hear of that publication? A. Yes, sir. Q. Did you ever subscribe to that? A. My wife did, I believe. Q. Do you want to tell the Board about the circumstances surrounding your wife's getting that publication? A. I don't know why she did it or how. Q. Did it come to the house? A. Yes, sir. She subscribed to it and it came to the house. Q. When? Approximately when?

A. 1945-1946, I don't have a clear recollection.

Q. Up until you were divorced?

A. Yes, sir.

Board: What steps did you take to stop it from coming?

A. None.

Chairman: How about any other Communist Party or other subversive political publications? Did you subscribe to any others?

A. No, sir.

Q. How about your wife, did she take any that I haven't mentioned?

A. No, sir.

Executive Officer: I believe that you said that you read the "Daily Worker" and "In Fact", is that right?

A. I read one or two copies of In Fact and I looked at one or two copies of the Daily Worker and I read them.

Q. Did you believe in any of the doctrines expounded therein!

A. No, sir, I did not. I thought that the statements they made were asinine and foolish. There was nothing against our country, it was just stupid. The statements didn't have a factual basis and I didn't think any more about them.

Q. Did you tell your wife so?

A. Yes, sir, we argued about it.

Chairman: Are you presently a registered voter, Mr. Greene!

A. Yes, sir.

Q. Do you want to tell the Board when and with what party?

[fol. 164] A. I am registered with Prince Georges County and now I am in the process of re-registering in Montgomery County. My wife is taking care of the transfer, but right now I am registered in Prince Georges County.

Executive Officer: You mean your present wife?

A. I have had nothing to do with my ex-wife since the divorce.

Chairman: And, how have you voted?

A. I am a Democrat.

Q. Mr. Greene, have you ever been opposed to the form of government as we have it in the United States?

A. Absolutely not.

Q. Have you ever served in the military service of the United States?

A. I was a reserve officer in the Corps of Engineers until the time I got my commission in 1941, and when I was called to active service about a year later my company requested my deferment on the basis of my work and I was deferred.

Q. You mean ERCO?

A. Yes, sir. In college I took basic ROTC and then I took advanced ROTC and when I graduated I was below age to get a commission and I didn't get it until later. I finally couldn't stay in because of high blood pressure. Every time I took the examination I got turned down.

Board: In what college did you take this training?

A. In New York University,

Chairman: Did you ever make the remark, when you were rejected from military service, that it was a good thing since you had so many friends on the other side?

A. No, sir!

Q. You categorically deny that you ever made that remark!

A. I can't remember or think of any circumstances where I would have made that remark. "On the other side"? They were Germans!

Board: Did you know Ullman at that time?

A. No.

Chairman: When you were rejected for military service, when was that?

A. That was after the war.

Q. You were rejected after the war?

A. Yes, \$ir. I don't remember the time exactly but it was right after the war. It may have been 1945 or 1946—when they started drafting again.

[fol. 165]. Board: That would not have been Germany then?

A. Yes. I was thinking of the time I was deferred as a reserve officer. No, I didn't make that remark.

Q. What was your rank?

A. I was a Second Lieutenant.

Q. Of the Engineers?

A. Yes, sir.

Q. What organization?

A. It was the military district that comprises this area. It was an inactive organization.

Chairman: Mr. Greene, would you fight to uphold the Constitution of the United States if called upon to do so?

A. Yes, sir.

Q. Would you fight any country, including the USSR?

A. Absolutely! I would welcome the opportunity and

I would do anything to prove it.

Q. Will you state what your present political beliefs are with regard to the United States government and its conduct in world affairs? I am speaking of its action in Horea. And, also, what are your beliefs with regard to Russia's conduct in world affairs? How does Greene feel about the present conduct of the United States in world affairs?

A. I think the United States is the best defender of freedom in the world. I think our course of action, doing the best thing we can to protect the world, protect freedom in the world—I think it is a wonderful thing. We have the best system in the world. I want to raise my family, my two young children, under this system. When I married for the first time I tried to make a go of it and failed, and I learned the hard way what people were doing against our country and I want to fight them in any way I can, and I love my country. My country has done a lot for me and I owe it an awful lot and I would welcome the opportunity to prove what I am saying by fighting for my country and giving up my life for my country if necessary.

Q. Do you believe in the theory of government which has for its object the common ownership of property?

A. No, sir, I feel that that kills incentive.

Q. The abolition of private property?

A. I think it kills all incentive.

[fol. 166] Q. The state control of all labor?

A. No, sir.

Q. Do you believe it would eliminate all labor problems?

A. No, sir.

Q. Social problems?

A. No, sir.

Q. Economic problems?

A. No.

Q. Mr. Greene, what part, if any, do you take in the social life of your community? In its civic life? Religious life? Political life? Do you want to tell the Board what

Greene does when he is not working at ERCO?

A. When I am not working most of my time during the weekends is spent sailing. I have a sailboat which I race at Annapolis. I have a home and I spend most of my time with my wife and children, and whenever they have the opportunity to do so they go sailing with me. We have a citizens association in Paint Branch Farms which all the residents belong to, and I have been elected as its Secretary. This was done unknown to me because I made no effort to get elected. I was elected by the neighbors who live on both sides of me. They thought I was a good enough citizen, or something, to nominate me when I didn't even know about it, and I became Secretary and I am responsible for mailing out and keeping track of the minutes of the meetings and so on. My wife, she is not Jewish; and we have worked out a compromise on that and we go to the Unitarian Church whenever we can get away from the children. There is no difference of opinion there. I believe in God and God's justice and I abhor what these people stand for, what we have discussed today, and I think it is a threat to everyone and I recognize it now as such. I was unfortunate in being exposed to it, but I was fortunate in one way that I have learned a lot, I think enough to keep me from getting in trouble again like some unsuspecting person might be exposed to. I have worked hard for fifteen years and I met this gal who was bad news and my heart was broken.

Q. Do you believe that a member of the Communist Party in the United States could be a loyal American citizen?

A. No, sir, not now.

Board: Do I understand correctly that from time to time you give lectures at Catholic University, and if so, on what subjects?

[fol. 167] A. I taught Mathematics there and Descriptive Geometry.

Q. Recently?

A. Yes, sir. Doctor Biberstein who is the head, I believe, of the Civil Engineering Section, is a very good friend of mine, although I don't see him often, thinks highly of me. It is a wonderful school.

Q. The lectures you give there are open to the public?

A. They are for undergraduate students. There are all sorts of people in the classes, nuns, priests, and just plain students. I think that is one of the most pleasant relationships I have had in a long time. I think very highly of the school and it is a very fine school.

Chairman: Gentlemen, let's recess here for a few minutes.

Chairman: The Board will come to order. Let the record show that the Board reconvened at 3:00 P.M. All the Board members who were present when the Board recessed are again present, together with appellant and his counsel.

Counsel: There is one question, Mr. Chairman and gentlemen of the Board, that I want to cover: Did you ever

discuss any of your factory work with your wife?

A. No, she was not the least bit interested in what I was doing.

Q. Did she ever try to find out what you were doing?

A. No, sir. That was one of the things I resented. She didn't even care what I was doing, whether I was an engineer, even.

Chairman: Was she entirely dependent on what you made? Did she have another source of income?

A. She had saved money from her Government job, which made her independent—several thousand dollars—because while she was working for the Government, I paid all our expenses and anything she spent, she took out of that, so, when she stopped working, she had several thousand dollars of her own.

. Counsel: Which wasn't in the joint banking account?

A. No.

Board: She didn't take Communism too seriously! Chairman: You were trying to make a go of your marriage?

A. I felt our marriage was a two-way affair, but she didn't.

[fol. 168] Board: I was a little unsatisfied with your explanation of your having attended the Third Annual Dinner of the Southern Conference for Human Welfare on the 7th of April, 1947, with respect to what seemed to me a lack of definiteness in the question that was asked you as to its aims and purposes. Didn't you actually understand what this third was doing on trying to do?

stand what this thing was doing or trying to do?

A. My understanding of it was that it was trying to improve conditions in the South, for the entire South, and I thought from the talks I heard there, that their goal was to bring industry down there. That would give them employment—employment to the people and therefore increase their wages and therefore give them more money to spend. That was my impression of the Southern Conference.

Q. Didn't you understand that they were trying to raise

the issue of Negro discrimination, in fact?

A. I did not understand that in connection with Negro discrimination. That was one subject we did not discuss in our house because I believe my wife felt that I was a discriminator.

Q. I see. The Communist front made it a great deal of a point, that is, they alleged the Negro is discriminated against, and that was the lever they used to push along

societies of this sort.

A. I understand that. I have learned a lot, Colonel, the hard way—the hardest way a man can learn.

Counsel: I noticed that the Chairman asked you in several of his questions, or inquiries, whether or not you had ever attended the meetings with so and so and so and so, and I understood your answer to be, "No".

A. Yes, sir.

- Q. Have you ever attended any meetings of any—I'm not talking about publicly meeting now in meetings of a sales nature—organizations that were Communistic or radical in nature?
 - A. No, sir.

Q. Did your wife ever try to get you to go?

A. No, she was very happy to leave me at home when she went out to her meetings. Now, I picked her up at union offices and things like that, union meetings, after the meeting was over.

[fol. 169] Q. Did any of the gentlemen referred to you by the Chairman in his inquiries, did any of those gentle-

men ask you to attend?

A. Silvermaster and Ullman never went to anything. They seemed to be home all the time.

Q. Just answer the question.

A. No.

Q. Did they ever try to inculcate you with any Communistic doctrine?

A. Well, it depends. I think they started out at the beginning to see whether I was receptive like, like with the closed shop, to see if I would accept this and I suppose they went, on from there. I had a feeling all along that they thought I was rather hopeless and I think they probably encouraged my wife to leave me for that reason. I don't know for a fact, but that was my feeling.

Q. Now, since you were divorced from your wife in December of '47, and outside of the time you got your furniture from the Poppers, I understood from your testimony that you have never seen anyone of those people

referred to here?

A: I have never seen anyone of the people that were discussed here, except my wife, which I described in my

testimony that I met her for about five minutes to give her her sleeping bags— They got mixed up—and some plaid wool that she had wound up in a dress that I had taken by mistake.

Q. Have you ever gone to any meetings of dubious char-

acter since '47 or '48?

A. Absolutely not.

Q. Have you gone to any meetings of the sciences association, or the engineering association?

A. No, none other than that I went to the NACA.

Q. Of what organizations are you a member?

A. Institute of Aeronautical Science and I have a life membership in the Tau Beta Pi.

Q. That is what?

A. Engineering society. I had nothing to do with any of those people since we left Washington and our marriage broke up. I never had anything to do with them before I got married.

Q. How long have you been Vice President in charge of

Engineering?

A. About two years.

Q. And since your first clearance, which I think you said [fol. 170] was in '40 or '41 . . .

A. I think it was '44— We can get the dates from Mr. Winkler.

Q. Have you been scrupulously careful about enforcing

the security regulations?

A. I have the instructions in my desk— Yes, I have—and I had them—I argued and got them to get the tubular locks, set up the system in our Engineering Department, so that the data would be logged in and out and whoever had it would be responsible and we would know who was responsible for having it last, and I have invited the security officer of the Navy, who is responsible for our plant, to come down and give lecturing on security to our engineering personnel; and I have done everything that the law requires to see that we take all the steps required by the law and I have always tried to do that.

Q. And I think you answered the Chairman's question very vigorously in the fact that you were a good loyal American citizen. Do you like anything that has tinges of

Russia?

A. No, sir. All I could ask, if it's in the Board's power, let me risk my life, which I would gladly do for my country. That's all.

Q. I understood you to say—and I think the Board has a clear impression of it—that during your first marriage with your wife, that you visited a great deal more with people, which we will call—for want of a better name—nice people, than you had to these?

A. A majority of our social contacts were not with the people whose names were mentioned by the Chairman.

Q. They were with whom?

A. Senator Aiken came more frequently than the Silvermasters. I think they never came, in fact, for dinner. I think they visited our house once or twice with Ullman at the time Senator Aiken had dinner once or twice. We visited the Comptons and his family very frequently when they were in Washington.

Q. Is he a relative?

A. Yes, sir, by marriage to my wife. Dr. Gibson, who is a first cousin of my wife, we were very friendly with him and his wife. He is in charge of the Red Cross Blood Program. We saw them maybe once a week. Joe Clements, [fol. 171] my best friend, and I associated from '45 on, at least, I would say, two or three times a week. We did things socially together in the absence of my wife. He even—when we went up to Vermont, he went along several times to go skiing with me. The majority of my social contacts were not with these people that we mentioned here today. I found it did well to sort the sheep from the goats until I learned more about them. I had to learn; I had to be educated, which has happened.

Q. Do you feel that you might make the same mistake

again?

A. I feel-definitely not-I feel . .

Q. Having been exposed?

A. Yes. —If you want to put words in my mouth—I could spot this type of thing at a greater distance than the average man.

Chairman: While we are on this subject of other associations during these week-ends from '43 to '45 or '46, I

understood you to say you went sailing. Who went with you?

A. None of these people.

Q./Who did go?

A. People from work.

Q. Such as?

A. Such as Jo Clements.

Q. You probably always had somebody with you?

A. Fred Coolidge Franklin, the man who got me the job, was the most frequent one. My wife went with me occasionally. I don't remember any occasion where these other people went sailing with us. Maybe once or twice they came down to see the boat, at the most. They were not interested in that.

Counsel: Did some of the other people in the factory go, like Mountjoy?

A. Yes, Joe Did, Mountjoy did . . .

Board: How many would your boat accommodate?

A. Four comfortably.

Board: Your reply to Mr. King's first question there gives me the impression that you have a somewhat confused idea as to the test for Communism with respect to unions. Let me say that this Board has nothing in the world to do with the closed shop or open shop or anything of that sort. That is no test of Communism or sympathy with it and this Board has no interest in that.

A. That is right.

[fol. 172] Chairman: All we're interested in is whether or not William Greene is a security risk. The only reason I mentioned that was that it seemed to me, and I'm sure the Board got the same impression, that you were a bit confused.

Appellant: Yes, well, the only reason I mentioned that was that it seemed to me they began to test me that way and when I reacted unfavorably, they didn't keep on working at me, for instance, the Negro discrimination.

Chairman: You think that was the side door they were using to try to explore Greene?

A. Yes. I had to be polite to some of these people and particularly one or two that I do talk to—the one or two that I could talk to—and I took the final step that I could have taken—I could have shot my wife, possibly that—but we separated and that was that.

Counsel: I think that's all, gentlemen.

Chairman: Do you want to bring in the witnesses? Counsel: Yes. I'll call Mr. Lester Wells first.

D

TESTIMONY OF LESTER A. WELLS

Mr. Lester A. Wells, witness for appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Will you give the reporter your full name and address, please?

A. Lester Allen Wells, 10 East Blackthorn Street, Chevy

Chase 15, Maryland.

Q. What is your present position or occupation?

A. I am President of the Engineering and Research Corporation, Riverdale, Maryland.

Q. How long have you been affiliated with that organi-

zation ?

A. Since 1936, January.

Q. How long have you known Mr. Greene?

A. Since the middle of 1937, or thereabouts.

Q. And during this period that you have known him, has your contact with him been frequent or infrequent?

A. Very frequent.

Q. Daily?

A. I would say pretty much.

[fol. 173] Q. Throughout all that time, you've had an opportunity to observe him, his work, and his actions and his reactions?

A. Yes.

Q. Would you, in your opinion, Mr. Wells, after this practically 15 years of acquaintanceship with Mr. Greene, say that he is not a good security risk?

A. I would say he is a good security risk, based on my contact with him.

Q. Would you say that he is a good American?

A. Yes, I would.

Qo Have you ever heard him say anything that was detrimental to the Constitution of the United States, or to our form of Government?

A. No, sir.

Q. Have you ever heard him say anything that was favorable to Russia?

AN

Q. Did he ever discuss with you or say to you anything about his relations with his first wife, just briefly?

Ac Off and on, yes.

Q. What was just the gist of it?

A. I didn't hear much about his first wife until apparently he was having trouble with his first wife and the nature of the trouble seemed to be that he didn't approve of her friends. Bill and I have been associated for a long time, have had a lot of contact. He depends a good bit on my judgment, to the extent that he has discussed on his own, his problems with his wife. They're hard things to advise anybody on. I don't know how you do that! But in none of these cases have I ever had any occasion to suspect Bill of being disloyal or a bad security risk.

Q. You think he's a good American?

A. I do.

Q. If you thought, Mr. Wells,—you're the President—that Mr. Greene were a bad security risk, would you keep him employed?

A. I would fire him immediately.

Q. I notice you say here, "Since his divorce he has expressed himself to me as being glad to be rid of his former wife's friends and associates. To the best of my knowledge and belief he has had no contact with them since".

A. That's true.

Q. Did his work improve after the divorce!

A. I wouldn't be able to say that. He was put on a different type of work and Colonel Berliner in that outst.

[fol. 174] I think said it improved noticeably, I think as a

result of his energy.

Q. Mr. Wells, over the period of time that you have directed the operations of this company, did you do a substantial amount of business with Russia?

A. Yes.

Q. Substantial?

A. Yes, quite a bit.

Q. A. I was it part of Mr. Greene's job when he was handling this Schwartz propeller to try to dispose of that to nations that he thought might be willing to buy them?

• A. That was pretty general probably with every employee. It was a job; if we could sell it to somebody, we'd

be very happy to do it.

Q. Did you know he was attending meetings and going

to parties at the Russian Embassy!

A. I heard about that. I don't remember any details. I knew that things had come up with the Air Attache about the Schwartz license. I don't recall any details.

Q. Did Mr. Greene speak to you before he went to these affairs at the Russian Embassy and after he went, did he report to you on what transpired at the meetings?

A. I believe he talked to me after he had talked to this one person whom he thought might be interested in getting us into contact with somebody from Amtorg who might be interested in buying blades, or the propeller method is actually what it was.

Q. Do you believe that Mr. Greene's loyalty to the Government of the United States is unquestioned, that he is a good American citizen?

A. Yes.

Counsel: Thank you.

Chairman: Mr. Wells, you're cleared to what degree of security?

A. Top secret.

Q. You know all the obligations that go with the security agreement, being President of ERCO, and you also know from firsthand information from Mr. Greene about these 1943 to 1947 associations through his wife, that we've been talking about—you haven't been in here but you have

some idea, you probably know something about it from Mr. Greene's affidavit submitted to the Personnel Security [fol. 175] Board quite sometime ago—in view of all that that was explained in the letter and more fully here today when you were not in here—knowing all the things Mr. Wells knows, have you any reservation—knowing the obligations involved, would you have any reservation regarding Mr. William Greene?

A. No, sir.

Q. You have no reservation in your mind that Mr. Greene is a security risk?

A. No. I'd be willing to have him in the organization

knowing I have to vouch for his security.

Q. Having top secret, you know all that goes with it?

A. Yes. I'd be willing to do that.

Chairman: Thank you, Mr. Wells.

There being no further questions, the witness was excused and withdrew from the hearing room.

Counsel: Mr. Winkler, please.

TESTIMONY OF RALPH M. WINKLER

Mr. Ralph M. Winkler, witness for appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Will you give your full name to the reporter, please?

A. Ralph M. Winkler.

Q. Where do you live and what is your occupation?

A. I live at 1218 Buchanan Street, in Northeast, Washington, D. C.; and my occupation is that of Director of Industrial Relations for the Engineering and Research Corporation.

Q. Are you also the Security Officer there?

A. Yes.

Q. Will you tell the Board, please, the type of clearance that ERCO has?

A. Well, the Engineering and Research Corporation at the present time has a facility clearance for confidential. Q. Confidential?

A. That's correct.

Q: There's confidential, secret, and top secret. Has Mr. Greene been cleared for anything higher than that?

A. He has been cleared for top secret, that's right.

Counsel: Anything else you want to ask about that,

Board: When did you make out the Personnel Security [fol. 176] Questionnaire?

A. (By Mr. Winkler) May 1 refer to my notes?

Board: Certainly.

Witness: You mean for Mr. Greene?

Board: Yes.

Witness: This personnel Security Questionnaire Form was submitted on June 1, 1949, to Headquarters, Army Security Agency, Washington 25, D. C.

Q. What classification does it ask for?

A. It asks for secret.

Q. Although your firm had no contract with the Government for classified matter involving any classification above confidential?

A. At that time it did not.

Q. Why did you ask for a higher classification?

A. To the best of my knowledge, at that time we were attempting to get a contract that was a secret classification.

Q. In anticipation of a contract?

A. That's correct.

Q. His work now doesn't require anything above confidential, does it?

A. At the present time, we have nothing in our plant that—that is, we have no work classified above confidential.

Counsel: The application that you made for Mr. Greene in June of '49, did you say it was for top secret?

Witness: It was for secret.

Q. And that was granted when?

A. On November the 9th, 1949. We have a clearance for

Mr. Greene that was issued by Headquarters MDW, stating that he was cleared for access to top secret.

Board: An interim clearance?

A. No.

Chairman: No qualification?

A. No.

Counsel: What date was that?

A. The 9th of November, 1949.

Board: Although you asked for secret, they gave you top secret?

A. That's correct.

Counsel: That's the one that has been revoked?

A. That's right.

Board: Is he the only one in the plant that is classified that high?

A. No, we have quite a number.

[fol. 177] Q. Is Mr. Wells?

A. Mr. Wells, Mr. Berliner, myself, and Mr. Stout, several others.

Chairman: All have top secret?

A. That's right.

Board: What clearance are you asking for the appellant? What are you requesting for Mr. Greene?

A. For Mr. Greene, well, we have not made any request for any clearance other than this.

Executive Officer: Does that still hold?

A. It has been revoked.

Q. Does the request still hold?

Board: You want him cleared for secret?

A. That's right.

Q. Not top secret, but secret?

A. I think there's very little top secret work for the country today and I think it is important that he be cleared for secret because it's quite often necessary that certain of our individuals do discuss information that may possibly lead up to a contract.

Appellant: And I just want to say one thing there. To my knowledge, we have never had anything in the plant

of top secret nature.

Witness: I think that's true. I don't know of any contract that we've had offhand that was higher than confidential, although some data of a firm that may bid on a contract might have been secret; but we've never had anything higher, nothing as high as top secret.

Board: Secret is the highest you need for him to do

the job?

A. Absolutely.

Chairman: And apparently that's the highest ERCO needs to do their job?

A. That's correct. We've never needed top secret.

Q. They've given you top secret for some reason which

you don't understand yourself?

A. That's correct. As I understand it, 98 per cent of all employees were requested for secret clearance and they came back top secret.

Board: Did the Navy or the Army do that!

A. I think that was the Army Security Agency. The Navy doesn't give secret clearance. They can for their own activity but this is a clearance that is good for the Navy and Army and the Air Force.

[fol. 178] Q. But you sent that Personnel Security Questionnaire to the Army Security Agency, didn't you, that

original one?

A. That's right.

Board: (Interposing) Why did the Army Security Agency appeal?

A. I think we were going to bid on some stuff for them.

Chairman: Gentlemen, let's go off the record here a moment.

Chairman: We're back on the record again.

Board: Who is your present contract for defense with? Witness: I'm not prepared to give you an exact statement on that. We have at the present time one with the Army and Navy, and we have a sub-contract with some that constitutes a number of Air Force ones.

Q. What would the majority of your work be-Navyat the present time?

A. I'm not prepared to give you that information.

Appellant: The majority of contracts at the present time absolutely favor the Navy, with the Air Force run-

ning a close second and very little Army left.

Counsel: Mr. Winkler, as you told the Board before, you are the Security Officer of the plant and are the one that is charged with the duty of seeing that proper security is exercised throughout the organization, is that correct?

A. That's correct.

Q. During the course of exercising or carrying out the instructions that the Government has issued to you in connection with security, have you talked with Mr. Greene about it?

A. Oh, yes, it has been necessary on more than one occasion to talk.

Q. What was his attitude on that?

A. Mr. Greene's attitude towards security certainly has been normal and I think that is saying a lot because there are a lot of people who are not too interested in security. They look at it as being red tape. I've always found Mr. Greene thoroughly cooperative as far as security.

Q. In carrying out the security regulations?

A. Yes.

Q. How long have you been with ERCO?

A. I went with ERCO in August of '42.

Q. Have you been employed there steadily since then? [fol. 179] A. Yes, except for a three-year tour of duty with the Army.

Q. And you came back in '45?

A. Came back in '46.

Q. Have you seen Mr. Greene much during that period of time?

A. Oh, yes, I've seen quite a bit of him.

Q. And from your observation of him and your contact with him, would you say that he is a good American?

A. I'd have no reason under the sun to say otherwise.

Q. Would you think that he's a good security risk?

A. Yes. If none of this had ever happened and I was asked to pass on Mr. Greene—which I have to do, as you gentlemen know, for a confidential clearance, as far as that is concerned, because it's up to the company to either approve or disapprove a person for clearance up to and including confidential— If I had to render that same decision with regard to Mr. Greene, I couldn't do anything but approve him.

Q. His actions over the number of years that you've known him have demonstrated that in your opinion he's

a good security risk and a good American?

A. Yes, sir, very definitely.

Counsel: Thank you very kindly.

Chairman: Any question of Mr. Winkler by any member

of the Board?

Board: Do you feel he has the common sense and judgment not to be dominated by a wife in the matter of security?

A. I would say that Mr. Greene has more than his share of good common sense and judgment.

Board: That's all.

Chairman: Do you want to ask the Security Officer any questions, Mr. Greene?

Appellant: No.

Witness: I know there's no question of loyalty involved . . .

Chairman: It's all security.

Witness: But as an indication to me—I'm only rendering an opinion now—an indication that I have received from my observation of Mr. Greene is that an expression of loyalty has been one which I have conceived in my ob-

[fol. 180] servation of the drive that he has put behind the men in his department to get out production or to get out this flight trainer in the hands of the military at a time when they needed it and on schedule. He has been very diligent and has put a lot of drive behind it and to me that means loyalty; it means loyalty to himself, to his company, to the man he is working for—Mr. Berliner—and to his country.

Board: We don't doubt or question that.

Chairman: Thank you, Mr. Winkler.

There being no further questions, the witness was excused and withdrew from the hearing room.

Counsel: I'd like to offer in evidence this letter dated 23 January 1952, signed by Admiral Bolster.

Counsel submitted Exhibit No. 2, which was admitted in evidence and marked as Appellant's Exhibit No. 2.

Counsel: Mr. Clements, please.

TESTIMONY OF CLARENCE JOSEPH CLEMENTS, JR.

Mr. Clarence Joseph Clements, Jr., witness for appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Mr. Clements, how old are you?

A. Thirty-two (32).

Q. Where do you live?

A. 9418 Wire Avenue, Silver Spring, Maryland.

Q. Are you employed?

A. I am.

Q. Where are you employed?

A. Engineering and Research Corporation.

Q. How long have you been employed there?

A. About seven years.

Q. What is your present job?

A. I'm a research engineer.

Q. How long have you known Mr. Greene?

A. Well, I met him in 1940 when I first went to work at ERCO. I was away during the War for about three

years but I've known him very consistently since that time.

Q. Since when?

A. Since 1945, since the War.

Q. Have you been with him very much?

A. Very much.

[fol. 181] Q. Have you visited his house?

A. Yes.

Q. Has he visited yours?

A. Yes.

Q. Have you gone sailing with him?

A. Very much.

Q. Have you discussed problems of general interest, politics and otherwise?

A. Yes.

Q. Have you built and designed a lot of things with him?

A. That's right.

Q. And you owned an airplane with him?

A. That's right.

Q. In the course of those discussions and in the course of your association with him over all these years, would you say that he is a loyal American?

A. I definitely would.

Q. Would you say he is a good security risk?

A. Definitely.

Q. Has he ever in the course of any conversation that you've had with him over those years manifested any interest or tendency of sympathy with the Russians?

A. None that I have ever heard.

Q. On the contrary, has he avowed his great loyalty or love for the United States?

A. Yes.

Q. Did you visit him when he was married to his first wife?

A. That's right.

Q. Did you know his wife?

A. Yes.

Q. Did they ever have any arguments while you were there?

A. Very many.

- Q. What was the nature of them, mostly?
- A. Political.
- Q. Did he ever say anything to you about the reason he was leaving his wife?

A. Not definitely.

Q. What was the impression you got as to why it happened?

A. She was radical.

Q. Has he ever been radical, as far as you know?

A. No.

Q. Where were you when you said you left ERCO for three years?

A. I was Los Alamos, New Mexico, where the atomic bomb was made.

Board: Did you have an Atomic Energy clearance?

A. I did at that time.

[fol. 182] Appellant: In case you wanted to ask him any question about me, Joe is my closest friend. He was best man at my second marriage. He knows a lot about me. If you have any questions, he'd be the one to ask because we practically lived together.

Chairman: Is there anything you want to have brought

out?

Appellant: I just wanted to stress that he knows more about me than anybody else, having gone skiing and hiking and sailing and flying together.

Counsel: Has he ever manifested any marked interest

of a political character?

Witness: Very very little.

Q. Would you say he was a good normal American?

A. Very good.

Q. Do you think he's better than normal or worse?

A. Better than normal.

Counsel: That's all.

There being no further questions, the witness was excused and withdrew from the hearing room.

Counsel: Mr. Hubbard.

TESTIMONY OF NORMAN. A. HUBBARD

Mr. Norman A. Hubbald, witness for appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Will you give your name, age, and occupation, please? You may sit down.

A. Norman-Hubbard, 33, live at 7103 Thirteenth Avenue,

Takoma Park, Maryland.

Q. And where are you employed?

A. Engineering and Research Corporation.

Q. What capacity?

A. Engineer.

Q. How well do you know Mr. Greene?

A. I've known him for ten years. I first met him in 1941 and I knew him for about a year then, I guess, and I left the company and saw him between—between '42 and '45, I saw him a couple of times but I've known him quite intimately for the past few years.

[fol. 183] Q. Have you had various discussions with him?

A. Yes, I've discussed almost everything, I guess.

Q. Have you been with him very much in this latter period?

A. Yes, and we have visited back and forth at each

other's homes with our wives.

Q. Since what date is that?

A. I'd say for the past three years.

Q. During that time, has he ever manifested any interest or sympathy to Russia or its satellites?

A. No, nothing at all out of the ordinary.

Q. Has he ever on the contrary— Have you any reason to doubt, from your acquaintanceship with him over all these years, his loyalty to the United States?

A. No, sir. On the contrary, I'd say that I feel very

sure that he's a loyal patriotic American.

Q. On what do you base that opinion?

A. Just through the discussions that I have had with him. He's always— His opinions on any subject, such as current interest in the news, politics, and so on, were always what I would consider those of a loyal American.

Q. Could you, from your acquaintanceship with him, say whether or not in your opinion you feel that he is a good security risk?

A. Yes, I definitely feel that he is

Q. Do you think that he would be apt to be persuaded by anyone to divulge confidential or secret information to any person that shouldn't be divulged?

A. I don't think it would be possible.

-Q. Why do you say that?

A. Because of his type of personality. He isn't the type of person who can be persuaded to do something that he doesn't think is right.

Q. I understand you made numerous visits to his house?

A. That's right.

Q. Have you on those occasions ever seen any Communist literature around his house?

A. I never have.

Q. Have you ever met a person that you suspected had Communist leanings or radical leanings there?

A. No, I haven't.

Q. I understood you to say that you've known Mr. [fol. 184] Greene quite well since 19— When?—I just want to get the date straight.

A. It would be, I think, the latter part of '47.

Q. Up to the present time?

A. That's right.

Q. When you left ERCO, were you in the United States Service?

A. No, not when I left ERCO. I was in the Service from, '44 to '45 actively.

Q. As what?

A. As an aviation cadet in the Navy.

Q. When your tour of duty was finished, you came back to ERCO!

A. That's correct.

Q. And you've seen Mr. Greene constantly since that

A. That's correct.

Counsel: That's all.

Chairman: Any question from any member of the Board?

Board: Did you know Mr. Greene's first wife!

A. I met her on one occasion but I didn't know her well at all. I met her at a wedding reception and didn't say much more than "Hello".

Q. Did you ever meet any of her friends?

A. No, sir, I didn't.

Board: That's all.

Chairman: Thank you, Mr. Hubbard.

There being no further questions, the witness was excused and withdrew from the hearing room.

TESTIMONY OF WILLIAM LEWIS GREENE (Resumed)

Counsel: There's a point I'd like to clear up here. Mr. Greene, at these receptions that you went to at the Russian Embassy, were there many or few people there?

Appellant: Many people at the receptions.

Q. Who were they generally?

A. They were high government officials, United States Government officials, and officials of other governments, ranging from the Secretary of State on down.

Q. There were generals and admirals?

A. Generals and admirals—high officials, generally speaking.

Q. These were in what year?

A. The entire time I went to receptions at the Embassy.

Q. About the dinner which you attended— How many [fol. 185] dinners did you go to?

A. Only one.

Q. That was the one at which you said Frye and Harrington and the U.S. Rubber representative, those gentlemen were there, they attended?

A. Yes.

Q. At your house when you invited these three successive military aides, there was nobody there but them?

A. That's right, nobody but the Attache, his wife, my wife, and myself.

Board: Did you say that representative was from General Rubber or U. S. Rubber?

A. I'm not sure. He was a Frenchman, that's all I remember.

Q. You'don't know?

A. No, sir, I don't.

Counsel: Were there any other meetings of the Em-

A. There were cocktail parties in celebration of the birthday of the Army.

Q. Was it a big affair?

A. It was not as big as the big reception, which maybe had a thousand people; these maybe had, oh, 200.

Q. Who was there!

A. Mostly military people, generals and admirals, and some civilians but nobody that I recognized outside of a uniform.

Q. Were there many times that you went to the Russian Embassy?

A. I went to the Air Attache's office one time.

Q. Was that in the Embassy?

A. That was separate from the Embassy, the cocktail party, the dinner, and when I went to the Air Attache's Office, which was separate from the Embassy—I went there and I talked to the Air Attache about propellers and machinery.

Q. Just you and the Air Attache?

A. That's right.

Board: When you speak of, "birthday of the Army", you mean which Army?

A. The Red Army.

Counsel: I think that does clear it up.

Chairman. Do you have more witnesses, Mr. King?

Counsel: Yes, I'll call Mr. Burgess next.

TESTIMONY OF EDWARD D. BURGESS

Mr. Edward D. Burgess, witness for appellant, was duly sworn and testified as follows:

[fol. 186] Counsel to Witness:

Q. Will you sit down and give the reporter your name, address, and occupation?

A. Edward Burgess, 19 Revell Street, Annapolis, Mary-

land, and I'm project engineer at ERCO.

Q. How long have you known Mr. Greene, Mr. Burgess?

A. We first met in '37—the summer of 1937...

Q. And I notice you say your next contact seemed to be in 49. What happened in the interim?

A. I was away from the Washington area during that

time. He was friendly with my family.

Q. Since 1949, how often have you seen him?

A. At least once a week, frequently five or six times a week.

Q. Have you discussed many matters with him in the course of those meetings?

A. Yes, we have.

Q. Have you been to his house?

A. Yes.

Q. And he to yours?

A. Yes.

Q Have you ever— The times that you have been to his house, have you ever met anyone there whom you suspected as being radical or possessing any Communist leanings?

A. No.

Q. Did you ever see any Communist literature around his house?

A. No.

Q. Would you say, from your long acquaintanceship with Mr. Greene, that he is a loyal American citizen?

A. Very definitely.

Q. Could you, from your knowledge of him and your close acquaintanceship with him, say whether or not he would be apt to divulge any confidential or secret information to any person who shouldn't receive it?

A. No, I'd say that he wouldn't.

Q. What do you base that on?

A. Well, in the first place, he's a very light drinker. He never gets particularly confidential—I mean—gets carried away by any conversation.

Q. What else?

A. He's a very careful thinker, too. He considers what he says before he says it.

Q. Has he ever discussed Communism with you?

A. We probably touched on that.

[fol. 187] Q. What has been his attitude in the discussions you've had towards that subject?

A. Very anti-Communistic, extremely so-actually no-

ticeably so.

Q. Has he ever indicated anything over your span of acquaintanceship that indicated to you that he was anything but a loyal American citizen?

A. No, he hasn't.

Q. Or that he would not be a good security risk?

A. No, not at all.

Counsel. That's all.

Chairman: Any questions of any member of the Board? Board: Did you know his first wife?

. A. No. I didn't know him during that period; or at least I wasn't in contact with her.

Board: That's all.

There being no further questions, the witness was excused and withdrew from the hearing room.

Counsel: Mr. Light, please.

TESTIMONY OF GORDON S. LIGHT

Mr. Gordon S. Light, witness for appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Would you give the reporter your full name, address, and occupation?

A. Gordon S. Light, engineer; address, 2120 Dexter Avenue, Silver Spring, Maryland.

Q. Did you ever serve in the Armed Forces of the United

States?

A. Yes, the U.S. Naval Reserve, on active duty September, '43, off and on inactive duty, April, '46.'

Q. Where did you serve?

A. Pratt-Whitney Aircraft Engine Training School, which was an Army-Navy-Marine joint school, and then the remainder of my active duty was at the Naval Air Station, Brunswick, Maine.

Q. How long have you known Mr. Greene?

A. Since 1935.

Q. And where did you meet him?

A. New York University.

Q. How long did you know him at that time?

A Approximately two years as undergraduates until we were graduated in June '37. Mr. Greene came to Wash-[fol. 188] ington; I went to Philadelphia to work at the Blood Company and I would see Mr. Greene frequently, spot visits, and through common friends at school, I'd hear about him; and then later on he dealt with the Glenn L. Martin Company—'39 until '43—and he was doing business with the company and used to visit and on his trips to Baltimore, he'd stop in and we'd chat.

Q. When did you start After your tour of duty in the

Navy, when did you start working with ERCO again?

A. October, '46.

Q. And since that time, what has your acquaintanceship with Mr. Greene been? Has it been a close and intimate one?

A. Intimate.

Q. Are seeing or have you seen him very frequently?

A. Certainly. As close friends in the immediate area, I don't think a month would go by that we didn't chat, either on the 'phone or visit socially or have some sort of contact.

Q. Did you know his first wife?

A. Only as well as one gets to know a person in approximately four visits to their house and I think we went on one hiking trip together, and they visited for dinner at our house.

Q. Did anything unusual ever happen in those meetings? Was everything peaceful and serene?

A. Peaceful and serenc. The subjects we talked about

were purely casual social chit chat.

Q. Since Mr. Greene has been married again, since his divorce from his first wife, have you seen him often?

A. Quite frequently.

Q. Have you discussed matters of current interest?

A. At considerable length.

Q. And from the span of your acquaintanceship with him and from your conversations with him, would you consider that he is a loval American citizen?

A. Without hesitation, I would say that.

Q. From that close relationship over the years that you have had with him, would you say that he was apt to divulge any secret or confidential information to any person that should not receive it?

A. Since my experience dates from '45, it has been more or less personal contact, as well as industrially, people who [fol. 189] have known him mutually—mutual friends from the school. Throughout that time, I have quite a few things have occurred-I would without any reservation at all youch for him. I think his performance as a citizen is without question at all.

Q. Have you ever discussed Communism or has he ever

expressed his opinion as to it?

A. We've discussed it. We've discussed things on various social philosophical subjects and he-has given me his. opinions, which while they may not be quite as arch-Republican as mine, certainly were just one shade removed from it but by no means embrace or give any support at all to the fact that he might have embraced any of the philosophy seriously.

Q. Would you say then, from your acquaintanceship with Mr. Greene, that he has any Communistic leanings at all?

A. No, I would say absolutely not.

Q. In these latest visits since he was married the second time, when you visited his home, have you met any people there that you suspect of being radical or of possessing Communistic leanings !

A. Never. I've never met anyone them I'd suspect of

leaning in that direction.

Q. Have you ever seen any Communist literature around his house on any occasion of your visit?

A. I have not.

Counsel: That's all.

Chairman: Any questions of Mr. Light by any member of the Board?

Board: You know his first wife quite well?

A. No, I wouldn't say that, based on four visits that I know of.

Q. Those visits were to her home?

A. Two of them.

Q. Did you ever hear her object to the United States and express herself favorably towards Communism and its doctrine?.

A. No, that did not come into our conversation. One particular visit I well remember, the first time I met her, it was a fine dinner meeting. We had dinner and social chit chat in the evening for maybe two hours, which is the usual thing that you do when you have a full stomach, not [fol. 190] even a casual talk, but as I remember, my wife—my wife is from New England and a common source of talk will then be the weather, skiing resort and general activity there.

Q. Did you ever meet the Silvermasters?

A. No, I did not.

Q. Did you ever see Sasuly there!

A. No. I did not.

Q. Did you ever meet a man by the name of Waybur there, or his wife?

A. No.

Q. Have you ever heard those names?

A. I heard them only as we've talked, Mr. King has mentioned them.

Q. You know nothing about them?

A. I do not.

Board: That's all.

There being no further questions, the witness was excused and withdrew from the hearing room.

Counsel: Mr. Mountjoy.

TESTIMONY OF THOMAS MARSHALL MOUNTJOY,

Mr. Thomas M. Mountjoy, witness for appellant, was duly sworn and testified as follows:

Counsel to Witness:

Q. Will you give your full name, age, occupation and

address to the reporter, please?

A. Thomas Marshall Mountjoy, age 34, contract administrator for ERCO, and I live in College Park, Wake Forest Drive.

Q. How long have you known Mr. Greene?

A. Ten (10) years. .

Q. And you have been with ERCO during that entire period?

A. All that time.

Q. What has your acquaintanceship with Mr. Greene been, close and intimate?

A. Well, it took some time to develop.

Q. When did it finally develop?

A. I would say we were definitely intimate in a working manner at—I mean, at work— We discussed things there; and then after Bill's second marriage, why, we became intimate socially. Very intimate, I'd say, for the record.

Q. Since the second marriage?

A. Yes.

Q. During his first marriage, did you ever visit at his house?

A. I was there once.

[fol. 191] Q. And did you meet his first wife?

- A. His wife wasn't there. We went over and he cooked a steak dinner and we ate it.
 - Q: His wife was not there?

A. She was up in Vermont.

Q. Since his second marriage, I understood you to say you have seen Mr. Greene quite frequently?

A. Almost once a week, average, practically.

Q. Did you either visit at his house or he at yours?

A. Yes.

Q. During the course of your acquaintanceship, have you discussed various subjects of current interest with him?

A. Yes, I believe so.

Q. Have you formed an opinion as to his character?

A. I think I have formed a very fine one.

Q. Now, would you say that from your knowledge of him and his actions and his conversation, that he is a good loyal American?

A. I would say he's definitely a solid citizen.

Q. Would you say that, from your acquaintanceship with him, that he is a man that is apt to divulge any confidential or secret information to any person that should not receive it?

A. I would trust him with just anything that I know of. That's about the best recommendation I can give.

Q. You're not in his department now, as I understand it?
A. No, sir.

Q. Did he ever talk to you about the reason for his divorce?

A. Yes. Very soon when he got notified from his wife that she was to have a divorce, he told me the reason was that he couldn't see her way and she couldn't see his way, so, she thought they might as well separate.

Q. What was her or his way?

A. He said he didn't care much for her friends and they couldn't see eye to eye on their political beliefs and I'm completely convinced that that was the reason—I mean, I was pretty much around at that time.

Q. Has he ever said or done anything in the course of this acquaintance that would by any means cause you to doubt

[fol. 192] his loyalty to the United States?

A. Definitely not.

Q. Or is there anything that would lead you to believe that he is a bad security risk?

A. Definitely not.

Counsel: That's all.

Chairman: Any questions by any member of the Board! Board: Were you connected with this ERCO between 1943 and 1947!

A. Yes, sir.

Q. Did you have anything to do with the accounting of contracts at that time?

A. No, sir.

Q. Do you know whether or not Mr. Greene did?

A. Yes.

Q. During that period?

A. Well, during that period—Bill has always had a very important position with the company and was consulted on any number of things that went through there. I don't know of any definite ones.

Q. For example, would he have any occasion to go to the Russian Embassy in the matter of getting a contract for

ERCO!

- A. I would say that in his position he would. It would be perfectly in order for him to do so. See, we didn't have an organized sales group as such that would ordinarily handle a thing like that. In fact, most of our business was dug up by the Engineering Department. I personally have dug a lot of it up while I was in the Engineering Department.
- Q. Did you ever go to the Russian Embassy parties to do it?
- A. No, sir, I didn't. In those days, I wasn't in the position that I'm in now and I didn't have a responsible enough job to do it.

Q. Do you know anybody else in the firm who did?

A. I don't know of anyone who did but I do know enough to know that I wouldn't be surprised if Bill had such an assignment because of his position.

Q. Would you say it was necessary for the Attache at

that time to visit his home on business relations?

A. Well, I couldn't honestly answer that but I can see that it might help out the business relationship, especially any business of a commercial nature.

Board: That's all.

Counsel: Do you know at that time whether or not the [fol. 193] company had been doing any business with Russia?

A: I knew of business they did before the War with Russia, definitely.

Q. Much or little?

A. Well, heavy machinery and things like that, they—I can—I vaguely remember that when I first came with the company. I heard of it. I think it was a lot of propellers—about sixteen of them—that was sold to Russia.

Counsel: Thank you, Mr. Mountjoy.

There being no further questions, the witness was excused and withdrew from the hearing room.

Counsel: That's all, Mr. Chairman, that concludes the witnesses.

Chairman: Is there anything as a result of the questioning that you'd like to say? Anything that hasn't already been said that you'd like to say, Mr. Greene?

Appellant: Well, I'm trying to picture the relationship. I had with this woman, Jean Hinton, just to sum it up possibly. We started out on the basis that it looked very good. We had a lot in common, strictly non-political. As time went by, under the influence of her friends, she became more and more politically inclined. The War was a brief intermission in that education of her, I would say. It resumed after the War when her friends came back. I tried to make a go of the marriage because I remembered what we had had before. There weren't more than three or four of her radical friends that I even could get along with. During that time, I was polite to them, I talked to them. Finally, it got so bad that they and I both realized that there was no hope left and when we got up to Vermont on the last trip, we had a final fight up there-an argument up there-which, to my recollection, clinched the situation in her mind. We had had this big fight about these people staying at our house shortly before we left Washington for the last time in the spring of '47 and in July of '47 one other thing occurred which I remember.

LIFE magazine had a subscription— In one of their issues, they had a description of the school showing the back-[fol. 194] ground of the United States, its history, and I thought it was a very good description and good for the kids up at the school...

Q. Putney?

A. Putney School, Putney, Vermont. This was July of

'47. She didn't think it was. We argued; it dragged on into the night when we re-fired the argument, two or three days it went on. Later we decided to separate. She left me. I was upset. I wondered about what people would say. I was worried about that. Two weeks, I would say, I was over it and then I realized—I sat back and looked over the whole situation and saw that I was in a dead-end street if I stayed with her, so, I agreed to a divorce without any contest. We decided she would go to Reno, since I was working and couldn't go. There would be no alimony and I tried to maintain relations so I wouldn't have to pay alimony. She went and got the divorce. That was the end of the whole affair with her and my knowledge of her friends. They worked on me, I'm sure, to get me to think their way and considering the experts I was exposed to and have read about since, I think I came out of it a little bit bloody but pretty well. I don't know how to prove my inner feelings any better than telling them to you. I hope you fellas' can analyze them well enough to know what I'm' saving.

Chairman: Anything more, Mr. King?

Counsel: I don't think it's necessary to make any argument. I would like to call attention to the criteria here, which may or may not be significant. Number 6, it says, "Is or recently has been . . . " I don't know what the definition of "recently" is but it seems to me that a period of four to five years doesn't come under the definition of "recently". I might also add that which I know you gentlemen know much better than I do, that Silvermaster and the rest of that bunch of people fooled an awful dot of people. They fooled the Government and a lot of people. They never worked that they weren't infiltrating. They infiltrated over a period of months to get you to see their way. There's no- The evidence here, which I think, as the Captain put it, is thanks to her. Here is a man that married a woman, apparently of a fine background, a college graduate. They came here and worked and he was mostly [fol. 195] interested in his work and hobbies and while he met these people the few times that he did over a period of five years, which always appears magnified in a hearing . four or five times, whether he saw his or her friends quite

more frequently seems to me to be demonstrated more forcibly than anything else today by the fact that the man is a good security risk. Now, you know the law. We're interested in facts and it is a fact that a man's reputation over a number of years, for example, is higher than anything. The Supreme Court has said over and, over again, it has said that a good reputation can create reasonable

doubt in a jury's mind without anything else.

You'll notice in Mr. Greene's affidavit, he disclosed everything that he thought was necessary to disclose. He hid nothing. He has shown that he'll take any out that you want, that he's not a member of the Communist Party, he has never been, and he has no leaning that way since 1947. Since that time, the thing has been nothing but a bad dream. He's completely cut off. I don't think I'd approve of his actions up to 1947 but I don't think those things have happened more than once and it isn't anything that wasn't as normal as marriage itself in that you do some things that your wife wants you to do and in most cases, you do most of the things your wife wants you to do. He wasn't asked to go, she just said, "We're going." I'm a brother-in-law to Mr. Berliner and I've been married some 20 years and believe me, when you're married, she's the last decision. I'm sure I have the sentiments of the rest of you fellas! But I do think I've brought out the frankness of all the people who have known him-all these fellas' who have known him all these years, Wells, Berliner, the operators of the company, they don't want anybody that could harm them. I was almost tempted to take the stand myself. I am Vice-President and Secretary of that organization. As I say, Mr. Berliner is my brother-in-law and during the War when Berliner was away, I was out five and six times a day. I know all of them intimately. I would have testified for him but I don't think it's proper for an attorney to get on the stand and inject himself. I've known him all those years and nothing he's done that I've seen has ever [fol. 196] indicated to me that he is anything but a loval citizen. You can't go around with fellas' for ten or fifteen years, go sailing, or boating, or skiing or flying or hiking with them and in that period, in the course of that time not say something that would indicate your position in life.

Now, none of these fellas'-they were all honest men-net one of those men have ever heard Mr. Greene say anything in his normal conversation in the entire course of their relations in life that would disprove that he is anything but a good American citizen and a good loyal citizen. Our company thinks most highly of this man. This is something that to this Board is almost ancient history. There is nothing shown since 1947. There isn't a thing against this man since 1947 and I notice here, it says, "... notwithstanding such membership, affiliation, or association, if it is demonstrated, by more than a mere denial, that the security interests of the United States will not thereby be jeopardized." In other words, your Board has the discretion, even if he was a Communist, and they think he is still a good security risk, that you can still clear him for the necessary classified information.

I want to thank you very kindly for the privilege of being here. It's been very pleasant and you've been very fair and very thorough. You haven't missed much. I'm just as much convinced as Berliner and Wells, who have known him for many years, are convinced that he's a good security risk because it means a lot to him as Chief Engineer and it means a lot them. They don't want anybody there other

than the one they feel is the most competent.

I want to thank you very kindly for your cooperation and I appreciate very much your kindness.

There being no further questions, the Board adjourned at 4:16 P. M., to meet at the call of the Chairman.

DATE 12 Feb '52

I HAVE EXAMINED THE RECORD IN THIS CASE.

/s/ William A. Rounds Colonel, USA (Retired) JAG Army Member—Qualified Lawyer Industrial Employment Review Board [fol. 197]

EXHIBIT 7 TO STIPULATION

€A 3561-54

MUNITIONS BOARD
Washington 25, D. C.
INDUSTRIAL EMPLOYMENT REVIEW
BOARD

MBBIE

20 January 1952

Gentlemen:

Reference is made to the appeal of William Lewis Greene before the Industrial Employment Review Board from the denial of access to classified military information by the Army-Navy-Air Force Personnel Security Board on 6 December 1951.

This Board has reversed the determination of the Army-Navy-Air Force Personnel Security Board, which denied appellant's access to classified military information and/or material, and the request by you for authorization to employ William Lewis Greene on Secret contract work and information of the Departments of the Army, Navy or Air Force is hereby Granted.

Therefore, the Industrial Employment Review Board, in accordance with the provisions of its charter and procedures governing appeals, dated 7 November 1949 (revised 10 November 1950), grants the consent of the Secretaries of the Army, Navy and Air Force to you for the employment of William Lewis Greene in the manner proposed above.

This authorization is specifically limited to your company. If the employment of William Lewis Greene is terminated for any reason and, at a later date, he is reemployed for work on classified military information and/or material, a new authorization must be requested.

If at any time information comes to your attention indicating that the employment of this individual is or may be inimical to the interests of the United States, it is required that a prompt and complete report be made to this Board for appropriate action.

[fol. 198]

Sincerely yours,

J. TENNEY MASON Chairman Industrial Employment Review Board

Engineering and Research Corporation Riverdale, Maryland

ATTENTION: Security Officer

Registered Mail Return Receipt Requested

EXHIBIT 8 TO STIPULATION

CA 3561-54

THE SECRETARY OF DEFENSE Washington

March 27, 1953

Memorandum For: The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman of the Munitions

Board

Subject: Revision of Industrial Personnel and Facility Security clearance Procedures.

The Industrial Employment Review Board and the Army-Navy-Air Force Personnel Security Board are hereby abolished.

2. All papers and records of the Industrial Employment Review Board and the Army-Navy-Air Force Personnel Security Board shall be transferred to the Department of the Army for administrative responsibility and centralized use. The Department of the Army will take custody of and maintain the central index file presently in the possession of the Army-Navy-Air Force Personnel Security Board.

3. The following documents, issued or approved by the Secretaries of the Army, Navy, and Air Force are hereby cancelled.

[fol. 199] Charter of the Army-Navy-Air Force Personnel Security Board dated 19 June 1950.

Procedures Governing the Army-Navy-Air Force Personnel Security Board dated 19 June 1950.

Charter of the Industrial Employment Review Board dated 7 November 1949, as amended 10 November 1950.

Procedures Governing Appeals to the Industrial Employment Review Board dated 7 November 1949, as amended 10 November 1950.

- 4. The Criteria Governing Actions by the Industrial Employment Review Board, dated 7 November 1949, as revised 10 November 1950, and approved by the Secretaries of the Army, Navy, and Air Force, shall govern security clearances of industrial facilities and industrial personnel by the Secretaries of the Army, Navy and Air Force until such time as uniform criteria are established in connection with paragraph 6 of this memorandum.
- 5. The Department of the Army, Navy and Air Force shall establish such number of geographical regions within the United States as seems appropriate to the work-load in each region. Phere shall then be established within each region an Industrial Personnel Security Board. This board shall consist of two separate and distinct divisions, a Screening Division and an Appeal Division, with equal representation of the Departments of the Army, Navy and Air Force on each such division. The Appeal Division shall have jurisdiction to hear appeals from the decision of the Screening Division and its decisions shall be determined by a majority vote which shall be final, subject only to reconsideration on its own motion or at the request of the appellant for good cause shown or at the request of the Secretary of any military department.

7. All cases pending before the Army-Navy-Air Force Personnel Security Board and the Industrial Employment Review Board shall be referred for action under this order to the appropriate Industrial Personnel Security Board.

Force, the standards, criteria, and procedures shall govern

the operations of the Board.

8. Consistent with his responsibilities in the area of industrial man-power and industrial relations, the Assistant Secretary of Defense (M&P) will keep himself informed on the development and continuing implementation of the program established by this directive and, from time to time, make such recommendations as he deems appropriate. To this end he will maintain adequate liaison with interested elements of management and labor.

9. The Chairman of the Munitions Board shall take such steps as are necessary to conform to the provisions of this order the following: the Armed Forces Industrial Security Regulation, dated 13 January 1953, and promulgated by directive of the Acting Secretary of Defense, dated 19 January 1953; the Industrial Security Manual for Safeguarding Classified Information; and all other related Munitions Board documents.

/s/ C. E. Wilson

[fol. 201]

EXHIBIT 9 TO STIPULATION

CA 3561-54

April 24, 1953

The Honorable R. B. Anderson Secretary of the Navy Washington 25, D. C.

My dear Mr. Secretary:

Receipt is acknowledged of your letter of April 17, 1953 in which you state that you have reviewed the case history file on William Lewis Greene and have concluded that his continued access to Navy classified security information is inconsistent with the best interests of National Security.

You request this company to exclude Mr. Greene from our plants, factories or sites and to bar him from information, in the interests of protecting Navy classified projects and classified security information.

In accordance with your request, please be advised that since receipt of your letter this company has excluded Mr. Greene from any part of our plants; factories or sites and barred him access to all classified security information.

For your further information, Mr. Greene tendered his resignation as an officer of this corporation and has left the plant. We shall have no further contact with him until his status is clarified although we have not yet formally accepted his resignation.

Mr. Greene is Vice President of this company in charge of engineering. His knowledge, experience and executive ability have proven of inestimable value in the past. The loss of his services at this time is a serious blow to company operations. Accordingly, we should like the privilege of a personal conference to discuss the matter further.

Furthermore, you state that you are referring the case to the Secretary of Defense recommending that the Industrial Employment Review Board's decision of January 29, 1952 be overruled. If it is appropriate, we should like very much to have the privilege of discussing the matter with the Secretary of Defense.

Please accept our thanks for any official courtesies which you are in a position to extend.

Respectfully yours,

Engineering and Research Corporation

By /s/ L. A. Wells

EXHIBIT 10 TO STIPULATION

CA 3561-54
Op-321B/bmh
Serial 7354P32

June 13, 1953

My dear Mr. Wells:

In your letter of April 24, 1953, you advised that Mr. William Lewis Greene has been excluded from any part of your plants, factories or sites and has been barred access to all classified security information. In addition, you have asked to have the privilege of discussing the matter with the Secretary of Defense.

As far as the Navy Department is concerned, any further discussion on this problem at this time will serve no useful purpose. However, any arrangements for such a discussion which you desire to make with the Secretary of Defense will be entirely within your prerogative. It is, therefore, suggested that you make your arrangements for this discussion directly with the Secretary of Defense's office.

Sincerely yours,

R. B. Anderson

Mr. Lester A. Wells,
President
Engineering and Research Corporation
Riverdale, Maryland

EXHIBIT 12 TO STIPULATION

CA 3561-54

[Undated letter addressed to Mr. Robert C. Sullivan, Executive Secretary, Eastern Industrial Personnel Security Board, 45 Broadway, New York 4, New York]

William Lewis Greene

Dear Mr. Sullivan:

In response to your letter of March 12, 1954, I have already advised you that we expect to be ready for hearing on April 28, 1954, the day set.

This is an unusual case because the procedures set forth in the "Industrial Personnel and Facility Security Clearance Program" have not been followed. Neither at the time that the Secretary of the Navy caused the discharge of Mr. Greene on April 17, 1953, nor at any time thereafter did Mr. Greene receive any direct notice that his security clearance was questioned, nor has he been furnished with any written statement of the reasons for the action of the Secretary of the Navy. It is not my intention to make an issue of compliance with the procedures utilized in other cases, except when non-compliance jeopardizes substantial rights, as does the failure to furnish Mr. Greene with any reasonably specific statement of the matters which must be met at the hearing.

In our telephone conversation of March 12, 1954, you stated that your office could not give any more information regarding the charges and that you could not expand on "the old reasons" for the suspension of clearance. In order to evaluate this statement, it seems necessary to review briefly the previous history of this case.

On November 20, 1951, the Army-Navy-Air Force Personnel Security Board notified Mr. Greene and his employer that his clearance had been revoked, and as the reasons for this action, gave the following statement:

you have had close and numerous associations with Communist. Party members; you have entertained Com-

[fol. 208] munist Party members in your home; and you have had numerous Communist publications in your home.

Following the receipt of this letter and in accordance with the established procedures, Mr. Greene appealed to the Industrial Employment Review Board, which, on January 8, 1952, advised him that the reasons for the denial of clearance were as follows:

That over a period of years, 1943-1947, at or near Washington, D.C., you have closely and sympathetically associated with persons who are reported to be or to have been members of the Communist Party; that during the period 1944-1947 you entertained and were visited at your home by military representatives of the Russian Embassy, Washington, D.C.; that, further, you attended social functions during the period 1944-1947 at the Russian Embassy, Washington, D.C.; and on 7 April 1947 attended the Southern Conference for Human Welfare, Third Annual Dinner, Statler Hotel, Washington, D.C. (Cited as Communist Front organization, Congressional Committee on Un-American Activities).

These matters were inquired into fully at the hearing subsequently held, and after that hearing, the Industrial Employment Review Board, on January 29, 1952, reversed the previous denial of clearance.

I respectfully call your attention to the fact that neither of the statements set out above are sufficiently specific to comply with requirements indicated in *Deak* v. *Pace*, 185 F. 2d 997, *Money* v. *Anderson*, 208 F. 2d 34, and *Manning* v. *Stevens*, 208 F. 2d 827

On the authority of those cases and of Paragraph 16d of the regulations, I request that your office furnish me, in adequate time to prepare for the hearing, such a written statement of reasons as is required by the regulations, and I request that the following information be covered specifically in that statement:

- (1) The names of the persons who were members of the Communist Party; those who are reported to have been members of the Communist Party; and those who are reported to be members of the Communist Party.
- [fol. 209] (2) The names of those who were members of the Communist Party at the time of Mr. Greene's alleged association with them.
- (3) As to those who are, at the time of Mr. Greene's alleged association, reported to have been Communists, the time at which the membership existed and terminated.
- (4) The approximate time of Mr. Greene's association with the individuals referred to in Paragraphs (1) to (3) above, and an indication of any associations which are thought presently to be continuing.
- (5) Whether or not any of the associations referred to are said to have continued to a date later than December 13, 1947, or to have been established after that date.
- (6) The names of the representatives of the Russian Embassy who are said to have been entertained by Mr. Greene in his home.
- (7) The nature of the social functions at the Russian Embassy and the dates on which they occurred.
- (8) The names of any Communist publications in Mr. Greene's home, whether or not he was a subscriber to these publications, and the dates of his subscriptions.
- (9) Whether or not the statements contained in the two letters are a complete statement of the matters which are thought to raise a doubt as to his eligibility for clearance; if not, what additional matters should be dealt with at the hearing?

In view of the history of this case, I suggest the advisability of a meeting, in the nature of a pre-trial conference, at which the possibility of stipulations as to the facts and as to the presentation of documentary evidence can be explored.

None of the details requested concern matters which need to be withheld because of security considerations. The basis of our request, at this time, is that the best interests of both the Board and Mr. Greene would be served by [fol. 210] defining the points upon which evidence is necessary. The charges are extremely vague, and since it is our intention to supply all relevant information as fully and frankly as we can, I am very much afraid that much of the hearing may be devoted to matters which are not of real concern. However, we cannot assume the risk of selecting the matters which the Board may ultimately consider important, and will be forced to deal with all possible issues, even those that the previous hearing has left in no doubt. Since the presentation of this case will, at the best, require several days, I feel that it is very much to the Board's interest to eliminate as many undisputed issues as possible. From Mr. Greene's standpoint, it is essential that expense be kept at the minimum while, at the same time, presenting the facts with regard to everything that really concerns the Board. In so presenting this request, we'do not overlook or waive Mr. Greene's right to constitutional due process. As the Board is without jurisdiction to determine constitutional issues, it would be futile to raise any such issues at this time. For this reason, we do not do so at this time.

Respectfully yours,

/s/ Carl W. Berueffy
Attorney for

William Lewis Greene

[fol. 212]

EXHIBIT 14 TO STIPULATION

PROCEEDINGS

EASTERN INDUSTRIAL PERSONNEL SECURITY BOARD

CASE NUMBER: 54-429

HEARING

Wed April 28, Thurs April 29, Fri April 30, 1954

The Appeal Division of the Eastern Industrial Personnel Security Board established by order of the Secretaries of the Army, Navy, and Air Force is now ready to proceed with the hearing in the case of William Lewis Greene. The members of the Board are: Mr. George D. Simms, from the Department of the Air Force; Captain Watson Singer, from the Department of the Navy; my name is Raymond Waldman, I'm from the Department of the Army and Mr. William Scanlon is the Security Advisor. This is not a court of law and strict rules of evidence and court procedure are not followed. This is an administrative hearing held for the purpose of affording you an opportunity to be heard and to permit the Division to inquire fully into the matters related to your case. You have the right to participate in this hearing and to be represented by counsel or other representatives and to present witnesses in your behalf. You can assist the Division in arriving at a fair and just determination in your case by giving full and frank answers to all questions the Division may have and by confining your attention to the matters related to your case. The transcript to be made of this hearing will not include all material in the file of the case, in that, it willnot include reports of investigation conducted by the Federal Bureau of Investigation or other investigative agencies which are confidential. Neither will it contain information concerning the identity of confidential informants or information which will reveal the source of confidential evidence. The transcript will contain only the Statement of Reasons, your answer thereto and the testimony actually taken at this hearing. Now, Mr. Greene, the Statement of Reasons from which you are conducting this appeal is as follows: initially on 20 November 1951, a

[fol. 213] decision was taken relative to revoking clearance that you then had and you were informed that it was based on the information that you have had close and numerous associations with Communist Party members. You have entertained Communist Party members in your home and you have had numerous Communist publications in your home. Later, by letter of 8 January 1952, you were advised that the Department of Defense had denied you clearance on the following grounds: that over a period of years 1943-1947, at or near Washington, D. C., you have closely and sympathetically associated with persons who are reported to be or have been members of the Communist Party; that during the period 1944-1947, you entertained and were visited at your home by military representatives of the Russian Embassy, Washington, D. C.; that further you attended social functions during the period 1944-1947 at the Russian Embassy, Washington, D. C.; and on 7 April 1947, attended the Southern Conference for Human Welfare, Third Annual Dinner, Statler Hotel, Washington, D.C., cited as Communist Front organization, Congressional Committee on Un-American Activities. Further, on 9 April 1954, pursuant to request of your attorney, you were given detailed specifications of the reasons for the denial of your security clearance as follows:

(CLERK'S NOTE)

Specifications omitted pursuant to Appellant's Designation of Record.

[fol. 215] The foregoing Statement of Reasons, I assume, you have in your possession and are aware of.

Mr. Greene: Yes, sir.

Mr. Berueffy: Mr. Waldman, do you want me to identify

myself for the record or have you already got it.

Chairman: Well, you can put yourself on the record. Let me first swear your witness and then prior to cross-examining him, I might suggest that you might say my name is so and so and then you'll go on to examine Mr. Greene.

Will you raise your hand, please, Mr. Greene. Mr. Greene, do you solemnly swear the testimony you are about to give in the case now in hearing shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. Greene: I do.

Chairman: You may proceed Mr. Berueffy.

Mr. Berueffy: My name is Carl W. Berueffy—BE-REUFFY. I'm a lawyer admitted to practice before the Bar of the District of Columbia. My office is 636 Wyatt—[fol. 216] WYATT Building, Washington, D. C. I am attorney for the appellant here.

TESTIMONY OF WILLIAM LEWIS GREENE

Mr. Greene, will you state your name and address, please?
Mr. Greene: William Lewis Greene, 429 First Street,
Annapolis, Maryland.

Counsel: How long have you lived at 429 First Street!

A. Since about the first of July 1953.

Counsel: And prior to that where did you live?

A. I lived in Paint Branch Farms which is a suburb of Silver Spring, Maryland.

Q. Where are you employed?

A. I'm employed in Annapolis at a firm called Rogers & Taliaferro, that's spelled TALIAFERRO.

Q. And how long have you been employed by them?
A. I've been employed by them since April 21, 1953.

Q. And what's your salary?

A. I'm employed as detail draftsman in an architectural office at a salary of \$4700.00 per year.

Q. Before you were employed, where were you employed!

A. I was employed at the Engineering and Research Corporation in Riverdale, Maryland.

Q. And what was your position there?

A. I was vice-president in charge of engineering and general manager.

Q. And what was your salary, what were you earning when you left that corporation?

A. I was earning \$18,000.00 per year.

Q. And why did you leave the employ of the corporation?

A. Well, I received notice from the president of the company that the Secretary of the Navy had denied me access to Navy classified material, and since the bulk of our work is with the Navy on development and production, that he felt that it would be impossible for me to stay so when he said that to me I had no choice but to leave and that was about the whole circumstance until I began to get in touch with this Board here.

Q. How long had you been employed by Engineering and

Research Corporation?

A. I had gone to work for them in May of 1937 when I graduated from college and I worked continuously with [fol. 217] them except for one four month period when I was on leave of absence and worked at General Motors in Dayton, Ohio, in 1940.

Q. Would you give the Board as briefly as you can a resume of the positions which you held with Engineering

and Research?

A. Well, when I got out of college, I went to work there as a junior engineer, a loose description of my duties since the company only employed about thirty-five people at the time and I was sort of a handy-man in the engineering department. I did drafting and a certain amount of calculating in connection with some propeller designs and gradually learning what was going on in the company and took on more and more work. After about a year, without any formal change in title, but just change in pay, I took on more and more responsibilities and I would say I became a design engineer and designed propellers and worked on the airplane that we were designing, the Ercoupe, and also did some work on the machine tools that we were building for manufacturing airplanes. In a small outfit like that, where there were only three people in the engineering department, we sort of chipped in wherever was needed. In the spring of 1940, a friend of mine worked, had gone with a newly formed company in Dayton, Ohio, called Aero-Products Division of General Motors. This is a man I had known through running some propeller tests at Curtiss-Wright Corporation in Calwell, New Jersey, and he asked me if I would like to come out to Dayton. Well, I did mainly

because I thought I should get some experience in a larger company. And I went out to Dayton and stayed there for about four months. The thing that brought me back to Engineering and Research Corporation was two events:

1. The propeller division lost its head. In other words, the man who was more or less running the propeller division from a sales and engineering standpoint, Bob Sanders, was called up on active duty in the Navy. He was a reserve officer and late in 1940, he was called up; at which time, Mr. Fred White, who was chief engineer of the company called me in Indianapolis where I was running a propeller test for Aero-Products and asked if I would return.

Well, it so happened, the same day a very good friend [fol. 218] of mine in Annapolis, Tommy Langen (phonetic), owned a little boat yard there, called me and said he had a perfect boat, a boat I had admired for a long time. Well, the two events coupled with the dryness of the Dayton, Ohio area as far as sailing is concerned, made me make up my mind and Fred White said that I could come back and he'd consider my absence just a leave of absence; and I came back as a projects engineer on propellers. Well, by that time things were picking up due to the war in Europe and our company had started a growth which continued right up through the end of 1946 and Pegrew with it. A year or so later, they broke the engineering department down into division under Mr. Fred White, who was chief engineer of the entire engineering department and I became chief engineer of the propeller division. Now, ever since I had come with the company in 1937, we had been working on a composite plastic propeller blade, the license for which we had gotten from Germany, it's called the Schwartz propeller. The propeller had a long, sad history and finally was dropped but during the nine years I worked on it, we did do quite a few propeller blades and also engaged in educating other people in building them. These propeller blades were an attempt to conserve material, however, their performance was such, due to their nature being made out of wood basically that they had a very low aero-dynamic efficiency and for that reason were never allowed to be used on combat planes in the armed forces. We did succeed in getting them on the VT-13 as an alternate for the aluminum

propeller blade and on the AT-19 which went to the British. The VT-13 was the Vultie Trainer, and the AT-19 was the Stimson Reliance which the British used for training navigators. At the end of the war the propeller division folded up completely. Our Government decided it wasn't worth pursuing and they dropped the whole project. At that point the Ercoupe, our peace time project came into being. This was a little two place airplane which, all metal airplane which was spin proof and I had had a little experience with it in its early days, back in 1937 and '38 but I had no real experience with it in production in 1946 other than buying one. At the time the Ercoupe came into being, it was decided that the company would set up a research [fol. 219] division to develop commercial products since is the only product we had was the Ercoupe and our machine tools. At that time, I became co-director with one other fellow of this research division which consisted of about ten or fifteen people.

Counsel: What was the other man's name?

A. Frank Lane. Things got, in November of 1946 the bottom dropped out of the light plane market and the company was forced to go into a severe decline. We were employing about two thousand people at the time. We dropped to about four hundred inside of a week in just shutting off the production line of the Ercoup and in a short time we were down to about a hundred/employees. During all of 1947, we were in very bad shape, on the verge of bankruptcy. During this period, I underwent quite a reorganization in my own personal life and took of absence without pay for about two months—June and July, approximate time, to straighten out my own personal affairs. When I returned to the company, we were at about our lowest point in our history, that was the fall of 1947. They then decided that they no longer could afford the services of Mr. White, who was still chief engineer of the entire company at a fairly high rate of pay and since he had another opportunity for a job, it was decided that he would leave and I was appointed chief engineer of the company which at that time consisted of about two or three other people in the engineering department. Well, we struggled along for the balance

of 47 and 48 trying to get going on some work. Right at the end of 1948, I believe, we again resumed our work with the Navy which had been lying dormant through this period of manufacturing the Ercoupe and the subsequent slump. We then started an expansion program. We were given the opportunity to attempt to build a synthetic flight trainer only this one was to be of an electronic nature, and you might say, was a very advanced type of Link trainer. The old Link trainer was a mechanical gadget which was designed to train pilots for instrument flight, not for any particular airplane but to get them familiar with instrument flight training. The electronic trainer that we attempted to build would simulate a particular aircraft, to simulate it down to the last detail. In other words, the pilot could [fol. 220] get in and from the time he got in and closed the canopy down, outside of not feeling the effects of inertia and gravity, he could make a complete flight, navigate and go through all sorts of engine failures and emergencies, fire and fuel consumption for cruise control. All those details could be carried out with exact similitude. Well, our first attempt went over with a bang, it was, I would say considering the first attempt at it was quite a success. Meanwhile, our engineering department, under me, grew from about three or four men up to about four hundred and fifty. This didn't all happen immediately, it happened over a period of about two years. As a result of the success of our first flight trainer, we were given practically every prototype that the Navy Department had and I think that is so with one or two exceptions where I think we had about eight or nine prototypes to build and they started coming out one after the other. Meanwhile, in order to manufacture these trainers which we developed in the engineering department, our production department expanded and we were soon up, on about 1952, I would guess, up to about two thousand employees again. Meanwhile we started to do Air Force work. We were doing some airborne armament work and also producing our machine tools. Along in this period the Korean War started up which helped accelerate the whole program. Late in '52, the company had grown to the point where help was needed in the management end. We had a Captain David W. Dusey (phonetic)

acting as manager, production manager but he was a retired naval officer and was getting along in years and wanted to taper off his activities. So that at some point when he decided that he was going to leave, I was appointed general manager as well as vice-president in charge of engineering. It was shortly thereafter that the company received the letter from the Secretary of the Navy and requested my leaving.

Q. Now, during the period that you were employed by Engineering and Research and which you've just sum-

marized, did you do any other work?

A. During this slump we had when the Ercoupe program folded up, after talking it over with the management, I [fol. 221] decided that I would try and reinforce my income which had taken a sharp drop with the laying off of the personnel in connection with producing the Ercoupe and they agreed that it was perfectly alright and go ahead and do this. Well, I did this in two ways. Beginning early in '47, I started—well, after I started doing some consulting work in '45, I formalized this in '47 with an organization called Greene Engineering Corporation which lasted for several months and after that I reinforced it by teaching at Catholic University. I taught there for two years until the present work at ERCO in connection with the flight training program prevented me from continuing teaching.

Q Did you have an academic rank at Catholic Univer-

sity?

A. I forget the exact title I had there. It was some kind of instructor. I was a regular instructor on the faculty and I taught college algebra one year and descriptive geometry the second year. In other words, What interested in, how I happened to come to teach was in 1937, when I came with ERCO, we were starting the Schwartz propeller. We tried to improve the propeller by running a lot of tests on it. We had very little test equipment at the time at the plant so we decided we would make use of some of the test facilities at Catholic University. They had a young instructor there by the name of Frank Xavier Philistine and I got to know him pretty well from running these tests there. He was in charge of the test laboratory. Well, as the years went by, I continued the program of using Catholic Uni-

versity's test facilities and in addition, during the war years when we had quite a large testing program, we loaned them a lot of equipment which they could use for both their academic work and for testing our products; and as a result quite a friendship grew up. Immediately after the war, I took a graduate course at Catholic University in physics, under a Father Fox and he and I got to be quite friendly, I believe that was in 1946. And in '47, the start of the academic year, in the fall of '47, I believe it was, Father Fox or Doctor(?)...... or both of them together since they had adjoining offices, suggested to Sister Gertrude of the Math Department that I, (I guess I overheard a con-[fol. 222] versation) while they were short of instructors, that I might be interested and they contacted me and I was very interested and the possibility of earning and maintaing a close relationship I always had with the University, so I-taught there for two years.

Q. Did you in this period make a trip to Germany?

A. Yes, in the spring—late spring of 1945 at the request of the Air Force, I was sent over to Europe by my company on a technical evaluation mission. This mission was a joint mission between the Air Force and private industry. Private industry paid the wages of the people who went on the mission, the Air Force provided transportation and an access. The idea was to see if the Germans had any good ideas that this country could use and also any good manufacturing ideas which our individual companys could use. I spent approximately four months in Europe during which the VJ-Day took place, and I got back to the States about early fall of 1945.

Q. In connection with the consulting work that you did,

for whom did you do consulting work?

A. Well, the first consulting work that I did was for Laughlin Currie and then I continued that relationship up to about the Spring of 1947 and broke it off, I believe the spring was the last time I did anything, (I might have done some work for him during the summer of '47) and broke off the relationship in the fall of '47 by not going to work for him when he offered me a full time job and after that he was very distant toward me and never called on me for consulting work again. Also in the spring of '47

I did consulting work for a company in Columbus, Ohio, called General Homes, which was attempting to produce an all metal prefabricated house and I did work for them. I believe those were the only two paid consulting jobs that I had. I attempted to get other work during that period but those were the only two I was successful at.

Q. When and where did you go to college?

A. I went to New York University, Guggenheim School of Aeronautics in 1933 to 1937.

Q. And what was the general nature of this course there?

A. The first year I went there I took a general arts course [fol. 223] and the end of that year I transferred to the Aeronautical Engineering School I got a Bachelor of Science degree in aeronautic engineering in 1947.

Q. Did your course of studies include any courses in the

political science, economics or other social sciences?

A. I don't know whether you classify history—in my freshman year, I took a course in Medieval European History, and a course in the second year—engineering economics, I believe—it has to do with what the engineer should know to make a living.

Q. Would you describe as briefly as you can the kinds of interest outside your school work which you had while you

were a student at New York University?

A. Well, ever since I was quite young I was very much interested in sailing. We had a summer home at Great South Bay and I guess from the time I was fifteen on, I owned a boat, except for interruptions where I owned an airplane. But while I was in college I did a considerable amount of sailing in my boat; I liked water color painting of marine scenes; I did a little gliding, we had a gliderclub at college; I hiked quite a bit; a friend, some fellow,(1) Stark and I spent a lot of time looking at boats down at Staten Island. They have a lot of old steamers laid up and we used to go down and see what made them tick-climb around them. And they had all kinds of steam engines inside of them. I got to know a tug boat captain during that period. I used to regularly go out in the Lehigh Valley tug, the Athens. New York Harbor was rather deadduring my college years so it was quite exciting to tear up and down the bay. I'd say those were my basic interests outside the school.

Q. Have you ever been known by any name other than that of William Lewis Greene?

A. Yes, sir. Up till 1937 I was known as William Lewis

Greenberg.

Q. And was your name legally changed from William Lewis Greenberg to William Lewis Greene?

A. Yes, it was changed by a court order in 1937.

Q. I'm going to hand you a paper which I've marked exhibit number one and ask you to tell me what that is?
A. This is a copy of the court order that changed my [fol. 224] name.

Q. And that gives the facts to the court, etc., doesn't it?

A. Well, it says the court changed my name and ordered it so.

Q. Gentlemen, I've got all of these documents to which we refer. With your permission I—

Chairman: Pardon me, Mr. Berueffy, the microphone

won't follow you around.

Mr. Berueffy: I've got the original documents in each case but I've also had a photostat of each document made and with your permission, I'd like to introduce in each case of these exhibits the photostatic copy.

Chairman: Well, the exhibits that you are referring to, are those anticipated exhibits or are you talking now about

the change of name?

Mr. Berueffy: I'm talking about the change of name but

in each case that will be so:

Chairman: Well, we certainly will take photostatic copies, however, there is no issue about the change of name here. It wouldn't make any difference whether you exhibited evidence or not. I don't think any issue has been raised and it's a matter of knowledge to this Division from reading a previous record that there has been a change of name. If you desire to offer the photostat, we'll take it.

Mr. Berueffy: O. K. I will just to keep my records the

way I(?).....

Chairman: Received as exhibit number one.

Mr. Berueffy: Have you ever been known by any other name than these two?

Mr. Greene: No, I have not.

- Q. While you were a student at New York University, the preliminary course in ROTC was a required course, was it not?
 - A. That's right.

Q. And you took it?

A. That's right.

Q. Now was there an elective course?

A. Yes, we weren't really a land grant college—this is the story I got when I was there, but the University did [fol. 225] have an advanced course in military science and I elected to take it in my junior and senior year and I believe it was at the end of my junior, the campus ROTC was enlarged to include both Infantry and Engineers with all the engineering students being transferred to the engineering section of the advanced ROTC: I transferred at that time too.

Q. The time you applied for advanced ROTC, were there any students on your campus that had a different attitude towards the military establishment?

A. Yes, I (interruption)

Q. Now, don't go into this at great length but just tell

the Board briefly.

A. There was. I remember they had these peace strikes on the campus and naturally the students who were taking advanced ROTC were singled out for a lot of nasty comments and they sort of pointed their fingers at us and we sort of reciprocated in kind and we pointed our fingers at them. And I'm conscious of a certain amount of dislike between the two groups on the campus and naturally I took the ROTC viewpoint because I was a part of it and felt it was right and proper.

Q. Well, at that time there were actually demonstrations

on the New York University campus?

A. Yes, sir, they had. I don't know whether this is extraneous or not but it's a sample of the kind of thing that happened, I guess it's the things you do when you're young. But they had a peace strike and a rally in our chapel hall and they were protesting the ratting of sabers. Well, a group of us got the idea that—we were having a parade that day anyway and we were in uniform and at that time a part of the uniform consisted of sabers and we went to

this rally and sort of broke it up. I imagine that we were a bit rowdy at that point but that was the kind of thing that was going on in the campus at that time, not all the time but it went on from time to time.

Q. Now, when you finished school did you get a commis-

sion in the Army Reserve?

A. No, I was too young for a commission. At that time, you had to be twenty-one in order to get a commission and I was still twenty years old when I graduated.

[fol. 226] Q. Did you subsequently apply for a commis-

sion?

A, Yes, as soon as I became twenty-one I applied for my commission in the Engineer Corps and was ordered to some office, I guess it was part of the Washington military establishment-Washington, D. C. military establishment for a physical. Well, I took the physical and was turned down on the basis of hypertension which I had had trouble with ever since I had started, the first time I was ever conscious of having trouble with high blood pressure was in 1936, when we went to summer camp and I had a rather rough time after getting down to Fort Belvoir getting admitted into the summer training course because my blood pressure was too high and after three days of testing they admitted -well, the doctor who examined me when I became twentyone turned me down and I didn't do anything more about it until later. I guess about a year or so later, it must have been more than that, I heard that it was possible to reapply even though you had been turned down, so I reapplied for my commission and I believe this was in late '40 or early '41 and I was ordered to Walter Reed for a physical. again I ran into the same trouble with my blood pressure, but after three days of tests, they passed me. They told me what to do, go nome and take it easy and don't eat too much and I got my commission on May 1941.

Q. Now, I'm going to hand you a paper that I marked

exhibit number two and ask you what that is?

A. This is a notice of my appointment as secretary of the Engineer Reserves.

Q. Or to be technical, it's a photostatic copy.

A. Photostatic copy of my appointment.

Q. Now, I'm going to offer that too if I may, gentlemen.

Chairman: It shall be received as exhibit number two. Mr. Berueffy: Were you ever called to active duty?

Mr. Greene: Yes, I was. I was ordered to active duty, I mess in the fall of 1941, I believe it was then, and I was ready to go when the situation I mentioned about my coming back from Dayton. Bob Sanders, who had been running the propeller department, had gone on active duty. When I got ready to go, the management felt that I could, talked [fol. 227] me into feeling that I could do more for my country by sinving where I was, and on that basis I submitted my regnation. That was the procedure at that time, we weren t at war yet and I was told through channels that if I submitted my resignation that I wouldn't have to go on active duty—which I did and that was in late fall of '41.

Q. Now, Mr. Greene, as you know a number of the matters in which this Board is concerned with, take their plight from the framework of your marriage to Jean Hinton Greene. When and where were you married to Jean Hinton Greene?

A. I was married to her at Putney, Vermont, December 27, 1942.

Q. Was that her parent's home?

A. That was her mother's home.

Counsel; I've got a photostatic copy of the divorce decree hich I'd like to offer now. Mr. Greene, is that the divorce decree that terminated your marriage with Jean Greene?

A. The photostatic copy of the decree of divorce granted in the state of Nevada ending our marriage.

Q. And this shows that the marriage was terminated on the thirteenth day of December 1947, is that correct?

A. That's right.

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Chairman: You offer that to be received as an exhibit into the record?

Counsel: Yes. I realize that it's pretty formal but it does help to get dates straight. How did you happen to meet Jean Hinton?

A. Well, when I came to Washington in 1937, I didn't know anybody here except people I knew through work, and about a year after I was down here, one— (Mechanical Difficulty)

Mr. Greene continues as follows:

A.—And Ruth managed and arranged an introduction to Jean Hinton and we went up and went skiing at New Germany, in western Maryland, it's west of Cumberland and that was my first contact with Jean Hinton.

Q. You continued, of course, to be acquainted with Jean Hinton. Would you tell the Board what you learned about [fol. 228] her in the course of the ensuing months especially with reference to the interests on her part that you saw

and became aware of?

- A. Well, of course, the first date we had, we went skiing and that's all we did, we were pretty exhausted. We drove all night to go skiing and the next morning. From the time we got there, we got out of the car and skied and then drove back that night. We went up on Saturday night and came back Sunday night. The next date I had with her, we went flying. I took her flying in a Cub. The third date I had with her, we went sailing in my boat down at Annapolis. I remember that because we had to break the ice in (unintelligible) creek to get out. The next date I had with her, I'm pretty sure we went on a hike along the Chesapeake and Potomac Canal and from that our friendship developed into affection. Those first few trips were devoted exclusively to our hobbies-my hobby and what appeared to be her hobby. I saw her quite frequently, I would say about the average of once a week up to about Eastertime when her mother came to Washington and I went with her to the station to pick up her mother because there was quite a heavy snow storm, I believe on Easter Sunday or Palm Sunday, I'm not sure which. Anyway I met her mother who was sort of a jolly woman who, the type of which I never met before.
- Q. Let me interrupt you to ask you—what—tell, the Board who her mother was.

A. Her mother was the head mistress of Putney School at Putney, Vermont. And that school is a boarding school for boys and girls of high school age. And as I subsequently

learned it's thought of very highly and I was quite impressed every time I heard whose children were going there. Senator Flanders' child or children were going there and Paul Hoffman of Studebaker, I remember he got them trucks when they couldn't get trucks during the war for the farm, and people like that. And, of course, one of the first things that happened when her mother came here, if I remember correctly, we went to see Senator Aiken and had lunch with Senator Aiken in the Senate dining room. And during the time her mother was here, we went around and visited their family friends. They had quite a formal dinner for her mother at the home of the Lend Lease Administrator to Australia, William Wasserman. That was [fol. 229] the atmosphere in which I first got to know Jean Hinton.

Q. Well, during this period did she demonstrate any particular or special interest in issues of politics or what may be denominated social issues?

A. Well, up until about Easter time I would say, no. She told me she worked in an office in the Government that had to do with migrant farm workers, and I remember her telling me about how they were setting up camps for these migrants so that they would have good places to live. Naturally, I asked her what kind of work she was doing and that's what she told me she was doing. And she did discuss these migrant workers and their problems and I would say up until about Easter time that was all. After her mother's visit, I would say there was a gradual change-not a change, an addition to her interests beginning around Easter time or shortly thereafter up until about the time we were married in which she-I began to meet friends of hers who liked to discuss union problems. The reason this sticks in my mind is, I remember a rather violent argument I had with one of them concerning the closed shop. I felt that the closed shop was illegal and that it deprived a person of a right to work. And I could see that her friends, all of whom worked in the Government at that time and who, I' believe were in her office in the Government, were very much interested in unions. And I, up to that point, had had no interest whatsoever in unions and didn't know anything at all about them. However, I did, sitting with these friends

· who liked talking about unions, I would get into arguments about it and finally I would more or less shut up rather than upset the peace and quiet of what started out to be a friendly get-together. At the same time, we were seeing other friends who came from her life before coming to Washington. One friend of hers I got to know real well, well enough so that he invited me to live with him. fellow was a fellow by the name of Frederick Coolidge. And I saw him much more often than any of her other friends since I finally came to live with him. What happened was, his grandmother, Elizabeth Sprague Coolidge, had the auditorium in the Library of Congress, the Coolidge Auditorium there and she maintained an apartment at the Hotel [fol. 230] Twenty-Four Hundred for this concert seasonwhen she would put on concerts there. The rest of the year, this apartment which had maid service and everything went empty, so Fred got the idea that he would like to live there and have a bachelor apartment there. Meanwhile, I had gotten Fred a job at ERCO as a drafter (draftsman). He was going to architectural school at Harvard and on a visit to Washington, I suggested to him that perhaps he'd like to work there. He had very bad eyes and couldn't get into the military-I think that was his trouble. So he came to Washington and went to work at ERCO and suggested that I live with him and so naturally, I got to see him considerably more often than anybody else. At the same time, we went to parties with former students of Putney School who happened to be in Washington on-working for the Government during the war years or in military service and it was generally a very normal social life in which once in a while I'd see her friends from work and I would say, oh, about two-thirds of the time I would see her friends from her former social life. But there was a gradual addition up until the time we were married, of her interest in union activities and which I more or less brushed off since it didn't concern me in any shape or form. We had no union at the plant where I worked and I just never had any experience with unions.

Q. Now, Mr. Greene, I'm sure the Board isn't interested in all of your marital difficulties but will you tell the Board about your marriage as briefly as you can and putting the emphasis on the matters which have been submitted to you at the various times by the various statements which you have received including the last statement which I received as your counsel. In other words, just tell us as briefly as you can what developed in the course of this marriage?

A. Do you mean I should take it name by name or just as

a general?

Q. No, just generally.

A. Well, we were married in December 1942 in a church in Washington. We had a falling-out which I wasn't conscious of, right after we got back. I just didn't know that it happened—over some of her friends when we moved into a [fol. 231] little apartment down on I Street and I made some remarks about some of her friends. She said later that that was when she first realized I was a drag on her and that I was only interested in making money and she was interested in the finer things in life. However, it didn't get too bad because we did to an awful lot of hiking and sailing and flying. I was a one-fifth owner of an airplane which we moved to Frederick, Maryland because this was in a zone that there was no private and I, to go up there was a good weekend's work. We used to work on our airplane—do our own maintenance and I spent a lot of time doing that and whatever time I didn't spend doing that I was down on my sail boat at Annapolis. I had a small Seabird yawl and we went out weekends with her friends. I began to notice there was a difference in her friends because the friends who went sailing were not the friends who she sat around and talked with. And I would sav one out of five to one out of three of our social encounters were her friends from work and they discussed again-I hope I'm. not being repetitious-but they discussed union activities. At that time she was not taking part, or at least, to my knowledge, in union work, that came later. Another thing happened that almost everyone of her friends at work wentinto the Armed Forces about that time. This was about a half a year to about a year after we were married. I would say the bulk of them went into the Armed Forces and the ones that she admired most, who she told me were intellectuals when she was comparing what was wrong with me, she would say, well, Bruce Waybur is an intellectual, you're not, you're grubby. You're interested in mechanical things and things with your hands but you have to be an intellectual to understand what I'm talking about. Well, Waybur went away. He was drafted, I guess, and he went away. The other friend who had a big part in her life judging from her remarks to me was Dick Sasuly, I would say those two were the ones she thought the most of and who she would compare me to.

Chairman: I'm sorry to interrupt at this point, when you mention some of these names which are not quite common, I wish you'd spell them, you said Dick Waybur! • [fol. 232] Mr. Greene: First I said Bruce Waybur, which I believe is spelled WAYBUR and Sasuly, which is spelled SASULY.

Chairman: Thank you.

Mr. Greene: Now I single those names out because those are the two that stand out in my mind. I was compared with those fellows, in my activities to their activities—and not favorably. Everytime she would say, well, when something would break, she would say, well, those fellows couldn't fix it. I kept our car going until after the war years and things like that and she still felt that those things were good. She had almost a dual personality in that connection. She still liked the out-of-doors; she liked sailing; she liked music; and when we were with her friends from her school days and her Cambridge-when she lived in Cambridgewe had no friction. On the other hand, when they'd get into political discussions, I was always sitting on the outside and be reproached about it later. I will say this that during that time I began to learn certain things from her. It may sound silly but for example, I never thought anything about throwing paper out of the window of a car if I was driving along the highway, well, it just never occurred to me. I got/a lecture from her and now I don't throw papers out the windows of a car when I drive along the highway because I can see it's certainly wrong. I learned to be more tolerant with other racial groups. I was extremely intolerant, although I had no right to be. I just happened to be that way. I never thought about those things but that was the type of thing that I could see and I did learn some things like that from her.

Counsel: Now, Mr. Greene, let's get down to 1946. Would that be the approximate date when these friends began to come back from the army?

A. Well, I guess they came back a little earlier than that. I imagine, Sasuly came back probably earlier although I didn't see much of him. Waybur, fortunately or unfortunately, depending on whom this concerns, I would say fortunately for me, had nothing much to do with us after the war. He came back from the Army and we saw him once or twice or three or four times but our social contacts with him were pretty much broken off. On the other hand in '46, [fol. 233] we began to see the Silvermasters and Ullman, spelled SILVERMASTER-Silvermaster and Ullman, ULLMAN more frequently. We, also during this period, continued to see Jean Hinton's other friends. During the war years, I would say, what I call her other friends predominated our social contacts, during and right up to our divorce, during the war years and right up to our divorce. For example, we went very frequently to Wills (Wilson) and Compton Farm up on the Potomac. His family was related to Jean Hinton's family by marriage. His daughter. was married to Jean Hinton's first cousin whose name was Chase-CHASE. And as a result of that contact, we went up during the summer months almost, oh, at least once a month to swim and have picnics up there. We saw Senator Aiken fairly often during that period. We went to the Wassermans quite frequently. We saw a lot of Fred Coolidge until he left toward the end of the war to go up to Vermont. There were other friends whose names don't stand out in my mind as clearly but, in the meantime, at the end of the war, another thing happened that relieved me of a lot of the pressure I was on from Jean to be an intellectual as she put it. My best friend came back from Los Alamos. His name is Clements. Joe Clements was a young boy when I first knew him before the war at Erco. who was very competent mechanically. He just liked things mechanical and we struck up a fairly close friendship because our interests ran along the same channel and I could design things and he could build them. Well, he came back toward the end of 1945 or early 1946 and one of the first things we did together was to buy an airplane. Now, it was

a considerable investment for me at that time, we paid twenty-six hundred dollars for the airplane and shared and shared alike. We split the cost. Well, he and I took considerable activity in our plane. Joe and I went off on trips. We went skiing together several times. I would leave Jean Hinton with her family at Putney. One instance in particular, we went off, Joe and I for about a week of skiing. His presence made it possible for the pressure that was building up between us to be relieved, I thought, and I saw more of him than anybody else probably. Meanwhile, things [fol. 234] were going along at work. This other fellow who was co-Director of Research, Frank Lane, was another fellow I had a lot of interest-he was the one who originally suggested my going to work at ERCO and he was a man of terrific hobbies. I had thought I had a lot of hobbies but he had many more than I. We dabbled in falconry, archeryjust about anything like that that came along. Between Joe Clements and Frank Lane, we were on the go all the time. He had an Ercoupe also and we used to fly regularly to Assoteague Island and go swimming on the beach. I also had a rather large Chesapeake Bay retriever who became quite a close companion of mine and who I nursed through ten years of epilepsy before he finally died and I used to take him along with me on these flying trips, sitting, he would wind up usually sitting in Joe's lap, if he could get out of the baggage compartment. But also during that time we saw the Silvermasters largely because I had some things that I could talk to with Ullman that I couldn't with any of her other friends. He was talented in building furniture and running his lathe. As far as I could tell, he was selfeducated. I'd like to add that in the case of Ullman all I knew about him, and by way of reference was that he was an officer in the Air Force during the war. He had been a Major in the Air Force and V believe he received some citation, at least he said he did, for excellent services he had rendered. When we'd go up to the Silvermasters' house, I would get into a conversation with Ullman about how to make a mortise joint cabinet or, he was very much interested in building a cut-off saw which was of the type that you could bull out, it was mounted on an arm and this saw had a power-driven head and this head moved on this arm

and you could cut lumber that way. And he had made up his mind, he was going to build one himself and that was a project that ran for several months. I believe it covered a period of six months—covered the entire spring of '47 I would say. And I helped him to design this saw. I advised him the ball bearings to use, what power he'd need in the head and things like that. We also discussed photography. He did very fine work in portrait work in photography and I asked him about what kind of developers to use for fine [fol. 235] grain work in printing and things like that. That was, basically those were the people that I saw most frequently I would say of Jean's friends were the Silvermasters and Ullman but we would see one or two of the other people mentioned in the charges.

Q. Now, before you go into those, I'd like to ask you, shortly prior to the time you married Jean, did you have occasion to go to the Washington Cooperative Book Shop which was then located on Seventeenth Street, N. W., in

Washington?

A. Yes, I did. Jean Hinton lived near there. She lived on Eighteenth, no, on Twentieth or Twenty-first and 'I' Street which was a few blocks away from the Book Shop and the main event in connection with the Book Shop that I remember, was buying Christmas presents there. So the first visit I made to Putney was also the time we, I retract that statement, the second visit I made to Putney which was for our marriage. I'd like to go back to my former story, if there is no objection, about my first contact with Jean because there is another incident which sort of brings out what I-how I felt at that time toward her. The summer after I met her before we were married, that is the summer of 1942, she invited me to go up to Putney. We had gotten quite friendly and I had expressed my-well, I hadn't proposed to her yet, but I had expressed my views towards her. She invited me up to Putney for a canoe trip with her mother and we had a wonderful time-just things I had never done before. I had never known how to go out and sleep in a sleeping bag. I always felt the urge to do those things but I never had been exposed to anybody who knew how to do them properly. We went up to Putney and with her mother we took a canoe, we put it on the train and went

up to White River Junction, took the canoe off and came down the Connecticut River. This took about a week and a half or so. We had a fairly wonderful time. Well, to get back, the second trip up to Putney I bought presents because her family was going to be there for the wedding and —I don't know whether to go on with this.

Q. What kind of presents did you buy?

A. Well, I bought for her mother, sister and brother, I [fol. 236] guess her grandmother, the most of the things I bought were records. I may have bought one or two best sellers at the time but the purchase that stands in my mind most is Brolio's (Berley) Fantastic Symphony because I kept playing it every time I went up to Putney, since it's one of my favorite pieces of music and that is how I came to join the Washington Book Shop just prior to making these purchases. Jean pointed out that by joining the Washington Book Shop for one dollar, I would get a ten per cent discount on any purchase there; and since I was contemplating purchases, I think around fifteen dollars and I figured I might buy things there at other times, I thought that it would be a good idea to join. Let me say one thing. Flatly, I had no conception or knew anything at all about the Washington Book Shop. I'm familiar with the Book Shop. It's hard to realize with so much happening since then that a person can know nothing about these things, but I just didn't. I just had never heard of it. I did know there was a book shop sitting there, the kind of thing you went in to buy books. I found out later through reading the newspapers and became conscious of the way things were, what it was, but I joined it once and the reason I didn't join again was not that I knew anything bad about it, because I just didn't have any occasion. We moved away from the area and I never went back in there so I never joined it again. I felt no need for getting the discount.

Q. Did you ever attend any meetings of the Washington

Book Shop Association?

A. I have no recollection of meetings there.

Q. Were you ever an officer, director or member of any committee of that association?

A. I never was.

Q. Other than this dollar you paid in the closing months of 1942 and other than such amounts that you may have paid for purchases which you actually made there, did you ever pay or give any money to the Washington Book Shop Association with the exception of the two types, the one payment and the purchases that I've mentioned?

A. The only payment I made to the Washington Book Shop was the dollar for membership in 1942 and for pur-

chases of presents and books.

Q. For presents. Now, Mr. Greene, I'm going to read a [fol. 237] list of names, some of which have already been mentioned. I will ask you in detail about them later but I just want to read the list of names and then ask my questions. Among the names that have been mentioned in the letter submitted to me by this Board's staff and in particular paragraph 12, paragraph 13 are these names: Richard Sasuly, Elizabeth Sasuly, Bruce Waybur, Miriam Waybur, Martin Popper, Madeline I. Donner, Russell Nixon, Isador Salkind, Samuel J. Rodman, Shura Lewis, Owen Lattimore, Ed Fruchtman and Virginia Gardner. Did you know any of these people prior to the time that you became acquainted with Jean Hinton?

A. I did not know a single one of those people prior to

that time..

Q. Have you seen or communicated with any of these people since the termination of your marriage with Jean Hinton?

A. No.

Q. I'm merely reading the list . . . I don't care for the answers you(?).......

A. Yes, of those names I saw two after the termination of my marriage to Jean Hinton. I saw Richard Sasuly at Martin Popper's house once when I went over there to pick up some furnishings. The only reason I'm paraphrasing this statement is that it was after we were separated but before we were divorced, I saw Sasuly at Popper's house when I was rooming and had gone over to Popper's house to get some articles of furniture which I had stored there. Now, after that I did not see any of those people, any of them on the entire list, after our divorce. I did see Martin Popper's wife after the divorce, when I remarried and went

to get the balance of my furniture, but I'm quite certain Martin Popper was not there at the time. And that was the last I saw of any of these people was when I went to get the balance of my furniture which was at their house.

Q. You talked about some other friends of Jean Hinton's or people with whom you became acquainted during the period of the marriage but numerically speaking did the list of names I've just read you constitute the major or less than the major portion of the people that you saw during

that period?

A. I would say that it was less than half and more than one-third, not counting my own personal friends that I [fol. 238] knew from before meeting Jean Hinton and that I had gotten to know through work at ERCO. If you lump them all in, then it was a small percentage of the total. But of Jean's friends I would say it was less than a half and more than a third.

Q. Of the other people with whom you became acquainted when you were married to Jean Hinton, do you still see

socially any of these people?

A. One or two, I've seen frequently Dr. Juliana Day. I've kept up some contact with Fred Coolidge—very desultory since he's out in California. I've seen her cousin, Dr. Sam Gibson and Alice Chase Gibson infrequently but kept up contact, I would say, that's about the bulk of them.

Q. Now, of the names that I have read to you, at the time you met these people, what kind of people did they seem-

to be in general?

A. When I first met them, they seemed to be as typical as I knew government employees, government workers in Washington. They seemed like average people, I would say, until eventually getting in these union discussion which I was more or less left out of and I figured that was because they were economists working in the Government and were interested in those things.

Q. When and how did you first learn that these people or any of them were suspected of having subversive associa-

tions?

A. The first knowledge I had that any of them had committed espionage and (appellant to counsel—you mean by subversive?) And that they were Reds was when I learned

of Elizabeth Bentley's testimony in the House Committee. I had a somewhat of an inkling prior to that when I noticed in one of the Washington newspapers but it was fairly close to that, that some of them were being investigated, but it didn't give any details at that time but that was the first time I really knew that they were Reds.

Q. Was that particular reference, would you tell the Board the name, if you remember, of the person whom that

particular early reference was made?

A. It was Silvermaster. I remember seeing something in the paper that he was under investigation. Now, I believe it mentioned Ullman at the same time and then there [fol. 239] were a lot of those other names of people who I didn't know mentioned at the same time. This was in the spring of '48 as close as I can place it.

Q Now, when you read about Miss Bentley's testimony

in the newspaper, what did you do, if anything?

A. I went to Mr. Berliner who was president of the company, owner of the company I worked for and a man who I looked up to terrifically because I had been with him all my working life. I had gotten to know him real well, had gone on many trips with him, been in his home many times. I told him about it and I asked him if there was anything I should do about it since I did know these people. Well, he said, "Can you contribute anything to the information on their espionage activities?" I said, "No, I never had seen them do anything or was conscious of anything that they were doing." So, he said, "Well, in that case, there is nothing that you can do about it." And that was the end of the matter.

Q. Now, I'd like to go over these names individually. You talked at some length about Mr. and Mrs. Silvermaster, is there anything else that you need to tell the Board about your acquaintance with these two people?

A. Well, I don't know how familiar they are with the background of how I got to know them specifically. But Mr. Silvermaster was the head of the office that my former wife worked in, in the Department of Agriculture. He was several steps up above her but he was her direct boss. At least, that was the story I got from my ex-wife. I remember when I first met her, she, I mean, before we were married,

some time after I met her. I had gone down to pick her up, we were going to a concert, I believe, one night. She said she had to go in to see Mr. Silvermaster and she said that as if he was a very great person. I remember she mentioned he gives advice to President Roosevelt about farm matters. "How would you like to meet him?" I said, "Well, he's your boss I'd like to meet him," so she took me in and introduced me to him. That was the first time I met him. And then after we were married, I believe, we were invited up to their house for dinner. And that was the first time I ever met him socially. They rarely went out for dinner, as far as we were concerned, because I can [fol. 240] remember my wife inviting them, oh, at least several times and to the best of my knowledge, they came to our house for dinner once in our whole acquaintance and probably stopped by two or three times. We, on the other hand, went to dinner at their house relatively frequently as compared to their visiting us—perhaps ten or fifteen times total. It might be higher, but that's the way it sticks in my mind.

Q. And, that was over what period of time?

A. Well, the total knowing of Silvermaster was from, I would guess around the fall or summer of '42 till the spring of '47. In the spring of '47, they left Washington, gave up their house here and I never saw them again or made any attempt to contact them.

Q. Did you ever hear from them?

A. Yes, I heard from Ullman once in connection with a lathe that he had loaned to this friend of mine, Joe Clents who I mentioned earlier. Joe, as I said before was quite a mechanic and he helped, he went with me to Ullman's house when we were working on this saw project because there were some problems I didn't know the answers to and in the course of working on the saw, he showed Ullman how to run the lathe; how to cut some threads on it and when Ullman left Washington with the Silvermasters, Ullman asked me if I wanted the lathe and I said, "No", I didn't want the lathe and then he asked Joe and Joe said, well, he might be able to use it and he turned the lathe over to Joe Clements. You want me to finish the question or stop?

Chairman? Well, at this point I would like to ask you this, Mr. Greene, just to clarify something in my mind. I imagine the Board might have the same difficulty at the present time. Every time your counsel asks you whether or not you saw the Silvermasters or recently heard from the Silvermasters, you say, yes, I saw Ullman and I heard from Ullman. Now, is there some reason why these two people are so tied up that every question about Silvermaster elicits an answer about Ullman?

A. I think of my relation with that group in terms of Ullman because, it's perfectly true, any time I went to that house, almost any time to see, to visit the family, I saw the Silvermasters and I saw Ullman.

[fol. 241] Counsel: Well, Ullman lived at the Silver-masters' (interruption)

Mr. Greene: He lived with them full time, ate there and slept there and at any time I would say (interruption)

Chairman: With the Silvermasters?

Mr. Greene: With the Silvermasters. And any time I saw Ullman, I would say I saw Silvermaster, Mr. and Mrs. Silvermaster almost invariably. I believe there were a few times when we were at the Silvermaster house where he was away on military business and didn't see him, maybe once or twice. But they were just as thick as they could be as far as association and it was very difficult to see one without the other in that house. If you went in the house through the front-door, you'd see, the Silvermasters and then you'd see Ullman.

Counsel: I want to just ask you this and I hope to clarify.

it a little more. Silvermaster was an economist?

Mr. Greene: Yes, I believe Ullman was too.

Q. What I wanted to ask you is, when Silvermaster talked about economics, you didn't know what he was talking about?

A. Well, I'm not quite that thick but I wasn't interested in what he was talking about and the way it usually worked out, as soon as it was possible, I would get into a discussion with Ullman about some of his projects that he was working on and we would more or less isolate our conversation from their conversation. Other times, I listened in, I tried

to be sociable, I was eating with these people and I was maintaining a husband and wife relationship with my wife and I know my wife thought very highly of Silvermaster. She said he was one of the foremost men in our Government because of his work in the Department of Agriculture.

Q. I don't want to cut you off from the Silvermasters

(interruption)

A. Well, what I started to talk about was hearing from Ullman again after they left Washington. What happened, I believe he wrote me saying he would like to sell the lathe and I asked Joe if he was interested in buying it and he said, no, but some friends of his who I don't even know were starting a shop, a little machine shop and he thought [fol. 242] they would be interested and they bought it and Joe handled the transaction. He sent the check for it to Ullman. And that was the only contact I had with Ullman after Ullman and the Silvermasters left Washington. I've had no contact with the Silvermasters after they left Washington. I had this one letter from, one letter, possibly two letters concerning the lathe from Ullman which was in the fall of '47. I had absolutely no contact, made no attempt to contact them after my divorce from Jean Hinton.

Q. Now, how about, you talked some about Bruce and

Miriam Waybur?

A. Bruce Waybur was a young man who worked in Jean Hinton's office in the Department of Agriculture when I first met him. He was a particularly close friend of Jean and I felt that the reason she was close to him as compared to her other friends who worked in the Department of Agriculture was that his home background, his home life, his education, came closest to hers from a matter of income and the type of school attended. I believe he was a Rhodes scholar, he said he was, I have no more definite proof than that. And she felt drawn to him because he was one of the, the only one I would say of all these people that she later got quite friendly with that had a similar background to hers. Mine was not, mine was definitely a New York City, middle class Jewish family upbringing. And I was dazzled by a lot of her friends, frankly, meeting Senator Aiken was an occasion to me and I'd never met Senator Flanders but at that time I knew who Flanders was because of my machine work at ERCO and I knew that Flanders was the head of this machine combine up at Springfield, Vermont. Springfield. There were three companies there. He was the head of them. He was spoken very highly of by the people in my company who knew the machine tool business and I was quite impressed by his children or child going to Putney. So the whole thing was a new experience to me and one that I would say dazzled me—meeting these people. On the other hand, at the same time(?)....... the marriage broke off for very fundamental reasons.

Q. Let's go on to Martin Popper. Tell the Board the [fol. 243] extent of your acquaintanceship with Martin

Popper ?.

A. Jean Hinton and I, while we were married, lived on, the bulk of our marriage on Harvard Street.

Q. What was the address on Harvard Street, do you recall?

A. 1739 Harvard Street, N.W. There was a row of single family houses all connected together with common back yards. There was a strip of ground behind the houses which formed the back yard for each house; and the back entrances were all on the same level and it was quite a sociable group. I mean, everybody's door was open pretty nearly to everybody else. We were in and out of each other's houses. I know Jean was interested in childrenbelonging to other people. There was a Chinese family who had a child, there was a Turkish family that had a child, there was, I guess, American family had a child, next door to us, the Schaeffers and the fellow who lived on the other side of us who was a writer, who was quite a fellow. He was very interesting to talk to and everybody got to know each other quite well. One thing you couldn't travel much then and a lot of activities were right around the house. : Idon't know exactly when I became conscious of the Popper family but as I gathered Jean Hinton met Mrs. Popper over the back fence towards the end of our stay on Harvard Street, I would guess around in '46 but I'm not clear on that date and she discovered it. This is the impression I have and was told by her. She discovered that the Poppers were friends of Sasuly and that made them friends because she had worked for Sasuly. I'm not sure, I've ever men-

tioned this but Dick Sasuly was Jean Hinton's immediate superior in the Department of Agriculture. He was her boss there. Well, she got to know the Poppers and got very friendly with Mrs. Popper. They had a little boy, I guess a boy, and she always had a very strong interest in children and I guess in addition to that they had political interests in common although I wasn't particularly conscious of it. I knew they were friendly. Now, Martin Popper was very aloof. I had the feeling he didn't think much of me as several of her other friends, the impression I got from several of her other friends. However, I did talk [fol. 244] to Mrs. Popper pretty much in a sociable way. Martin Popper, for one thing, was there infrequently, he seemed to be away on business a lot. When he was there, he was not a friendly man and I had no warmth towards him and felt sone in return. However, when we got ready to leave Washington which was a culmination of several events all coming together at once and later I learned had even more significance, in that, I have a feeling now that at the time we left Washington, Jean Hinton made up her mind that our marriage was no go. However, at that time we got ready to leave-they were going to sell the house we were renting and I had a secret idea of my own that if I could get Jean away from some of her friends we were always fighting about, we might be able to get our marriage back on an even keel. And I had an idea that if we went up to Putney, they were having farm manager trouble, and I help run the farm, she would become more like she was when I first knew her. So we decided we would store our things and I-we discussed storing. We called up about rates and finally Jean came in one day with the idea she said—the Poppers had moved away from Harvard Street, I believe for the same reason that they knew that this row of houses were going to be sold and we didn't want to buy ours and I guess, they didn't want to buy theirs and moved to a large house off Connecticut Avenue. And Jean came with the idea that they had a big attic there and we store our furniture there until we decide what we were going to do. Now, I believe that she knew already that my idea wasn't going to work and that was one reason for storing things there because the reason I think that was the case.

she had very carefully made piles of things-hers and mine, and I felt that, later when I went to get my stuff and saw that, that she had some idea that I would come back alone and that my idea of staying up at Putney, and working on the farm wouldn't work, or my getting employment in that area. However, we did store our things there. Jean supervised the moving and a day or two after they were stored, we closed the house up and went up to Vermont. My only contact with Martin Popper after that was the time I saw him, prior to my marriage, when I went to get [fol. 245] some of the things, my desk, my bed, my easy chair to put in the room I was rooming in and that was the last time I saw him unless I bumped into him, when shortly after I got married, I got the balance of my furniture. Since then I've had no contact with him, had no desire to contact him and never heard from them. This all was in '47.

Q. How about Madeline Donner?

A. Madeline Donner was a woman who I don't know too much about. We did (not) see her at the frequency that we saw the Poppers, for example or Sasuly. I don't know much about her, what her background or what she was doing. I know she had a husband who was a lawyer and I believe he was a lawyer in the Government and then he went to work as a lawyer for one of the unions. We went, I believe we visited their house once or twice and they visited us once or twice. It was not a close relationship as far as I was concerned. I didn't think it was as far as Jean was concerned. In fact, I thought Jean had more to talk about with Madeline Donner's husband than she did with Madeline Donner. That's about all. There again I can say the same thing. I never knew them before I met Jean and I've never seen them since Jean and I separated or made any effort to contact them.

Q. How about Russell Nixon?

A. Contact with Russell Nixon was more infrequent that it was with the Donners. I had one social contact with the Nixons and possibly saw the Nixons at a cocktail party at Sasuly's. I'm just saying this because there were a lot of people there and I assume Nixon was there. But we made a trip down to Nags Head, a quite a large party, it

might have been ten people. We drove down in two cars and the Nixons were in that party. Jean Hinton and I did not stay with them at Nags Head. We camped out which we usually did do in a tent down in the sand dunes and they stayed at some hotel. That was the only social contact I ever had with the Nixons and I don't believe I ever went to their house nor did they ever come to our house. And there again, I met them late in my marriage to Jean Hinton and never saw them after we separated or contacted them.

Q. Now, what about Isadore Salkind? [fol. 246] A. To me it's a little funny to see his name there because my only relationship with him was as a rival for the hand of Jean Hinton. When I first knew Jean and started to get serious, she told me that there was another fellow who had proposed to her, this fellow Isadore Salkind. And I did see him several times prior to his going into the Army. I would say three or four times, I remember meeting him at a party where I could sense a distant (distinct) feeling of antagonism toward me. I saw him once or twice when the people who she worked with, I believe he worked in the Department of Agriculture too and that's how he happened to know her. I know she had a funny, feeling towards him. She thought he was a nice fellow but not her type. That was my sole contact with him. I saw him once after the war at a party and I had actually no friendship with him, no social life with him and never saw him after I separated from Jean Hinton.

Q. Did you meet Shura Lewis—that's SHURA Lewis? A. Yes, I did. In the spring of 1947, shortly prior to our leaving Washington, Jean Hinton and I leaving Washington, Jean was called by her mother from Putney and told that Pearl Buck, I thought, however, when I was interviewed by the F. B. I., they told me it was Pearl Buck's sister, I'm just putting that in to make the story as complete as I know, had suggested this woman as a possible teacher of the Russian language for the Putney School and would Jean please interview her. Well, the day Jean called her, or within a few hours almost, from the time she had intended to call her, the story broke in the Washington newspapers about this woman who had given a talk at a high school in Washington, D. C., to the children in the

high school praising Russia. And there was a considerable amount of protest, I believe, in Congress and other public groups. Well, Jean went ahead and interviewed her because she lived right, I would say around the block from us and one street over. She talked to her and I think she on her and they came over to our house and then we went over to their house talking some to her. Her husband was quite upset about the publicity at the time and so was Shura Lewis. She spoke, I would say poor English and was rather [fol. 247] difficult to talk to and I believe on Jean's recommendation, I don't know who, I guess she talked it over with her mother and it was decided that as a result of what she had done and the publicity that she wouldn't be suitable for a teacher at Putney and the matter was dropped. Now, I believe Jean talked to her two or three times after that. We left Washington within a month after meeting her so that the contact was broken off completely at that time. Now, I did meet her once again, quite by accident and before I was married. My present wife, who had absolutely nothing to do with any person in this, didn't know a single one of them and never has known any of them, lived on this same street that Shura Lewis lived; and I had gone down to pick her up to go to church one Sunday morning and we were walking up the street to the church and on our way up the street, we bumped into Shura Lewis who said hello to me, I said hello to her and we kept on walking. I imagine she was completely flabbergasted to see me with another woman because I don't think she knew I was divorced unless somehow or other she had learned about it. That was in the fall of '47 and I've never seen her since or heard from her or anything else. That was my sole contact with Shura Lewis.

Q. Describe your acquaintanceship with Owen Lattimore.

A. I first heard of Owen Lattimore when my wife told me that there was quite a famous college professor whose son was going to Putney School and that we had been invited to their house for dinner or lunch, actually it was a lunch, on a Sunday, a picnic lunch at their house up in Baltimore. That Mrs. Lattimore may have been up to see Mrs. Hinton and learned that she had a daughter in Washington and then extended the invitation to visit them. We

visited them for lunch two or three times. I didn't know any more about him except that he was a professor at Johns Hopkins, that he was well-to-do judging from his home and that he had been in China because he had lots of Chinese furnishings. I'm pretty sure they never visited us socially. They may have stopped by when they were in Washington, at our house on Harvard Street but I strongly doubt it and that was the extent of our contact with the Lattimores except for one other contact that I had. Mrs. Lattimore—it took place at the same time, it happened [fol. 248] subsequent to our invitation to the Lattimores but just prior to our breaking up of our home in the spring of '47, I did see Mrs. Lattimore once or twice at a meeting of the Directors of Station WQQW. That was the only other contact that I've ever had with the Lattimores. The only other thing I know about them is what I've read in the newspapers.

Q. How about Ed Fruchtman, that's FRUCHTMAN?

A. Mr. Fruchtman does not form a clear picture in my mind. I have a picture of a rather chubby person whose wife had a miscarriage or a still-born baby. I think and this I'm not sure of, they were on this trip to Nags Head that I mentioned earlier in connection with Russell Nixon. I also got the impression that they were friends of the Nixons and also friends of the Sasulys, who were responsible for our going on this trip, they invited us on it, I believe largely to make use of our car for transportation. However, the Fruchtmans were on that trip and I believe we went over to their house shortly after they had this difficulty over the baby to tender our regrets over it. And I'm fairly certain they never came to our house although it's possible that they did and I would say our total contacts with them were maybe five times, in that order. But I, he is one person I do not have a clear picture of and I just don't know who-just to(?) the records very clearly.

Q. What about Virginia Gardner, spelled GARDNER?

A. I had trouble with Virginia Gardner as far as remembering her at the last hearing I had and I still cannot for the life of me remember her or picture her. I assume I must have met her but I have no recollection of it and I

can't describe her because I can't recollect her.

Q. Now, Mr. Greene, paragraph three of the letter which I received refers to certain publications which were in your home and specifically mentioned are: the "Daily Worker", "Soviet Russia Today", "In Fact", and a book Karl Marx's "Das Kapital". Did you subscribe to any of these publications or did you buy the book which was mentioned?

A. I did not. I did not subscribe to any of those publications. I did not buy that book that was mentioned.

[fol. 249] Q. Now, do you have any recollection of any

of these publications which have been mentioned?

A. I have a recollection of the "Daily Worker" being in our house. I have a recollection of "Soviet Russia Today", the magazine. I have a recollection of "In Fact". I know Jean had some books that were of the type "Das Kapital" and I don't clearly remember it being there but it most likely was there.

Q. Well, tell us about the extent of your acquaintance

with the "Daily Worker"?

A. I would say that I saw possibly five to ten copies of it in the house. I protested about its being in the house. I said that, frankly, I said it didn't look good in the house. I didn't think it was the kind of thing to have around. The newspapers we bought, I thought were good enough and I looked at it and it didn't impress as being a good newspaper as far as getting news is concerned and I thought it just had no part in our household. I thought it was too extreme. After I protested about it, I didn't see it any more.

Q. When you say you saw five or ten copies, just to be clear, you mean you saw different copies on five or ten occasions?

A. Yes, between five or ten, I'm saying ten to be conservative in my estimate and I would say about five times, I would say would be more close to what I remember but to be conservative about ten times.

Q. And you did look at these magazines, of course?

A. Yes, when you ask about "Daily Worker", I looked at the headlines and I remember making some comment about the way they reported sports and that's about the extent. I didn't bother to read it the way I would read our regular newspaper that we got at the house. It just didn't interest, me enough to take the time to read it.

Q. What about "Soviet Russia Today", what's your recol-

lection of that?

A. My recollection of that magazine which I did leaf through on several occasions and finally got tired of looking at it because there was nothing in it that seemed interesting, was that it was a magazine full of pictures or Russian farmers harvesting huge crops of wheat, building great big tractors and full of praise of the Soviet Union. I don't remember anything in a derogatory towards the United States but I do remember painting a very rosy [fol. 250] picture of Russia. And I commented that it looked a little bit like they were picking out the pictures that looked the best and which we promptly got into an argument to say I always took a dim view of things.

Q. What about "In Fact", what's your recollection?

A. Well, my recollection of "In Fact" is that is a rather small newspaper, printed on poor paper that, from what I read in it was concentrated on picking out mistakes in what other newspapers said. Sometimes it would be humorous and sometimes it would be serious and I just got tired of looking at it. I looked at it once or twice because I had never seen it before and after, I just disregarded it. There's another one of the things Jean had and while it was in the house, I looked at it but it bored me. I stopped looking at it.

Q. Did you subscribe for magazines for yourself?

A. Yes, I believe I almost had an uninterrupted subscription to the "New Yorker" the last fifteen years; I have had a subscription to "Yachting" whenever I could afford it. It's been going up and down lately and as far as I'm concerned; and I got a magazine from the Institute of Aeronautical Sciences, a technical magazine, called "Journal of the Institute" which came during that period.

Q. I think you probably pretty well covered what comments you might make on paragraph 4, in your general discussion. But I want to hand you a sheet of paper which I am marking "4", I'm going to ask you to look at the original of that. Tell me what it is. I mean just describe it so there'll be something in the record.

A. This is a letter I received at Putney School from Jean Hinton after we separated in the summer of 1947. It was addressed to me at her mother's house in order to avoid going to another Greene who also lived up there. There are a group of homes around the school campus. The background is that—

Q. Now, wait for a minute I want you to (interruption)

Q. All I want you to do is to tell me if you can fix the

date of this letter?

A. The date was, as given on the post mark, is August 11th and I'm quite sure of the date because that was the date when I stayed on there, we decided to get divorced.

Q. And that is the original envelope that the letter came in and that's the original letter that was in the envelope?

A. Absolutely.

Q. Now, you said you got this after you and Jean had separated and you were staying on at Putney only to do the farm manager's work. Was this prior to the time

when you got the divorce? .

A. Yes, Jean left me around the first week in August or the last week in July and she was going to make arrangements to go to Reno and I was going to make arrangements to go back to Washington to my job and the divorce came subsequently after she established residence in Reno and the decree was granted.

Q. Well, now, Mr. Greene, I would like to call your attention to the second paragraph on the reverse side of that letter and on the photostat, the reverse is page two of the complete exhibit and I just want you to read that letter and

that one paragraph to the Board.

A. This is, I'm speaking of what's in the letter. I want you to know that even though I accuse you of being 'too conservative', I do admire your courage in sticking up for your own views even when you know how mad it makes me. For instance, I was thinking of the "Life" exhibit

business and how Una and I immediately argued against you. I'm glad you have the guts to oppose me as long as you feel as you do. Then the more you understand, the less you will oppose my views—but you will always be courageous enough to stick up for whatever views you have, adamantly and forcefully. So—as you understand more you will be more and more useful because that force will be applied for better and better arguments and positions."

Q. Now, I want to ask you what's the reference to the

[fol. 252] "Life" exhibit business mean?

A. Well, "Life" magazine, at that time, had an exhibit which showed what made America great. That may not be the exact words but the gist of the exhibit was that the things that made this country great and the accomplishments of it. And this exhibit was touring the countrygoing to various schools. Well, Putney School had a summer school and Mrs. Hinton must have invited this exhibit to show at the school to the students, Well, they showed. it there and we went over to look at it and I thought it wasa very good exhibition and I said so. Well, immediately, my wife began to find flaws in it and said, oh, it isn't this way, it isn't that way. And the more she said that the more I said the opposite. I said, "Why are you always tearing" things down. Can't you find any good in things. These things are true. I've seen it with my own eyes." Well; the very next day she said, "Bill, you know we've been talking about a separation for about two weeks." And I had thought well of my point that I thought if we were away from her friends that she might see my viewpoint and she said, "Well, this proves how hopeless it is. We're just poles apart on this thing that you would be always be dragging me back from the way I want to go." And I said, "Well, if you feel that way about the exhibit, I think it's hopeless because there are certain things that I know for a fact and I'm not going to change my mind about. And I may not be an intellectual but I know they're true." So she said, "Well, then that's that," and I said, "O.K. that's that. Who's going to get the dog?" And when we settled that, she went down and got on the train the next morning and off she went.

Chairman: Mr. Berueffy, it is noted for the record that the extract which was read by Mr. Greene is a part of a letter, the photostat of which has been offered in evidence by you and has been received as exhibit number four.

Counsel: Thank you, it'll keep the record straight on that. Does that letter, that extract which you've read accurately, so far as you recall it, state a comparison of, shall we say political or social views which you held and those which your form wife, Jean Hinton held?

A. Well, when I found this letter, it was quite by accident. [fol. 253] What had happened, while I was up at Putney, all the mail I got I kept stuffing into a drawer I had, a wooden drawer, like a file drawer because I was clearing . up some other things. I had been trying, up to the point where we separated, I had been trying to find a job up in New England. I had some correspondence on that and I had some correspondence with Laughlin Currie and I just stuffed it all in. When I got ready to leave there, I just shoved the things in this box and went off in my car back to Washington and there it sat. And I started at this time. I started to go through this stuff, at Bill's insistence and there it was. And I think this thing shows the sum total of what the devil was going on in our marriage. We had this struggle, seesaw struggle. I would draw the line at one point. I'm sure I thought-it was good not to throw papers out the windows of cars. Sure I thought I was wrong in being intolerant without justification of other people. She'd get so far and then she'd annoy me and she felt at this point that it was now. And I was finally forced to agree because it was so obvious, here were these things that were true about the country and the denial just showed it was hopeless to reason with her. I didn't like the decision, it hurt my pride that I couldn't succeed in winning her over to my viewpoint but at some point, after five years of struggle, our cold war just got so bad that it had to end. It darn near paralleled the cold war because when the war was on, it was different. When somebody would praise Russia, you wouldn't think anything of it but as the interests of our country and Russia became more and more at a clash then it made Jean and I clash more and

more and finally it made our life just an impossible life together. We didn't go hiking, we didn't do those things and all she wanted to do, this sounds funny, just talk about unions, besides this, she wanted to organize unions. She said that was her mission in life. She said she didn't like my working. She thought it was a grubby existence and I thought engineering was pretty good.

Q. Now, Mr. Greene, in your early testimony, you told the Board about your work as a consultant and you mentioned that you had done some work for Dr. Laughlin Currie. Off the record, the charges spell Currie's name [fol. 254] LAUGHLIN, but on his letterhead, he spells it LAUCHLIN. Shall I spell it the way the record

shows it or shall I spell it the way he spells it?

Chairman: Having reference to the letter, LAUCH-LIN is apparently the right way.

Counsel: And the last name is CURRIE. How did

you become acquainted with Dr. Currie?

Greene: I became acquainted with Dr. Currie through a telephonic introduction between Currie and myself arranged by Mr. Ullman. He told me that Lauchlin Currie was on the verge of leaving the Government in which he was an advisor to President Roosevelt who had recently died. That was the reason for his leaving the Government. And that he was about to supervise the investment, and these are the figures I remember, nine million dollars for the vice-president of Universal Pietures, who had accumulated this money during the war years and now wanted it invested in bonds, stocks, anything that would bring a return. And Currie, and these are more or less paraphrasing what Ullman said, he's a very brilliant financier, had been chosen to supervise this investment and therefore set up a company in which that was one of his activities. Now, in connection with this and this is all the story that I got from Ullman which was corroborated by Currie, in connection with this investments, one of the things that he thought he should know while he was investing this money, were possible new developments that had potential production capability—chemical or mechanical—things that in the house or for cars or for buildings—things that would

have a large market. He had asked around among his friends-Currie asked around among his friends if any of them knew of anybody who had good judgment in evaluating such things and Ullman told me that he had recommended me to Currie and arranged for me to see him. So in the fall of 1945, after I got back from Europe, I contacted Currie and started out, oh, maybe once a month, maybe once every other month, at so much per day investigating and writing reports to him of these various objects and ideas that people came to him with. Now, how [fol. 255] these people happened to come to him, I don't know. He had a large, exceedingly large office on Park Avenue in the 40's-487 Park Avenue, I believe it was in the 40's in New York and I would come up. He would either write me or have me come up to talk about these various things, then I would go out, interview the man who had the idea and then write him a report whether it looked like it was a good idea or not. And I did this work for him over a year and a half period. Finally his activities got so large, this is what he told me, and they seemed to be moving from the size of his office, that he would like me to come to work full time with him. Well, this was at the very low point of the work at ERCO and I debated it-pros and cons going to work with him and agreed to go to work with him and then disagreed to go to work with him. -I wrote cancelled, that I had several other ideas in my mind. I was trying to think of what to do in case ERCO went out of business and that is one reason why I was interested in going to work with Currie. However, I decided against it. I had met my present wife who was in Washington and the thought of leaving her, even being this distance from her was a little too much for me; and that plus the fact I knew I was going to be able to teach at Catholic University which augmented my income made me finally decide to stay here. I was toying with the idea of going to Medical School, and I just was unsettled but I just felt I didn't want to work with him so I (interruption)

Q. Let me interrupt you a minute now, Mr. Greene, and go back. When was the very first time that you met Lauchlin Currie?

A. The first time I met him was in the spring of '45, late spring of '45.

Q. And where did you meet him?

A. If was in the old State Department building right next to the White House. I remember going up, walking up there to Mr. Lauchlin, (asking) if somebody knew where Mr. Lauchlin Currie was and they immediately escorted me to this huge office which had Lauchlin Currie something—Special Advisor to the President, on the door, words to that effect. The reason I'm bringing that up is that it's only with—the fact that you could see what these people were. I don't know how I was supposed to know but any-[fol. 256] way there was this fancy set-up and I frankly admit it was impressive and I took everything that had been said about at face value. I didn't know anything different about him.

Q. Well, now, let me ask you, you saw him in the spring

and you actually went to work for him in the fall?

A. I think the first contact where I got paid for doing any work for him—the next contact which I had with him and also was the next contact where I got paid was in the fall.

Q. And you were paid at a daily rate for consulting?

A. That's right.

Q. And what was your pay?

A. I believe it was a hundred dollars a day and that included my travel time and then my expenses were extra. Somehow or other we got fouled up, sometimes it was a little more and sometimes a little less. He would argue—I didn't have to travel so far on a certain job or maybe I was up in New York on business but it averaged about that.

Q. Now, I've handed you a piece of paper which I've marked exhibit number "5" and ask you to tell me what it

is

A. It's a photostatic copy of a letter from Lauchlin Currie to me telling me that he was glad to learn that I would go to work with him and stating the salary I would get of eighty-five hundred dollars a year together with a bonus based on the net earnings of this company.

Q. Now, I want to give you another piece of paper and

A. This is a photostatic copy of a letter from me to Dr. Currie telling him that I changed my mind and wouldn't go to work for him and giving him my reasons.

Q. I'd like to offer "5" and "6" in evidence. Incidentally, before I do, what is the date of your letter to Dr. Currie?

A. January 13, 1948. That is the date of my letter to him.

Chairman: Received in evidence.

Counsel: Now after you wrote that letter to Dr. Currie.

did vou see him again?

[fol. 257] Mr. Greene: I saw him once again on the street. outside of his office in the fall of-early spring of 1948. just prior to my marriage. My future wife and I were up in New York and we had gone over to Jensen's to pick out our silver and while we were there, I suggested to her, that I call Currie and apologize in person for not coming to work for him. It was about two or three weeks after I had written this letter. I bumped into him on the-what happened—he said, "Don't bother coming up to my office. I'm on my way out." And it was just around the corner practically, from Jensen's. He had moved from his Park Avenue office, And he met me in the street. He was exceedingly curt and he made some nasty crack about my future wife-how he hoped I wouldn't change my mind about her or something like that. That was the last time I saw or heard from Lauchlin Currie. That was probably February or late January 1948.

Q. Now, I'm going to turn to a number of letters, all of which have been collectively marked number six, seven, beg your pardon. Are these letters which I'm handing you typical of the correspondence which you had with Dr. Currie?

A. These are photostatic copies and one thing I would like to say just to keep it straight, they are not all letters. Some of them are memorandums that I wrote to him reporting on various trips I had made for him. I would say this is fairly complete and not only is it typical but in looking it over when we were getting these ready, I would say these are pretty nearly a complete record of the work

I did for him: I felt that it was necessary for me to write up what I did because I was afraid if any of these things ever became successful; I might be reproached. And as it turned out, I was reproached partly, in that I kept turning down everything that he sent me out to look at. The whole time I found nothing that was worthy of following up. I think that was one reason why he steered away from me until finally he decided I was right and offered me a job. But these are very typical and represent the only communications that I did have with him. I mean, there may be a letter or two missing but these are the same as any other communications I had with him.

[fol. 258] Q. Now, I'd like to offer in evidence all of exhibit *7".

Chairman: Received in evidence.

Counsel: Did you ever have any relationship with Lauchlin Currie other than that which you have described to the Board?

A. I only visited his home once—quite by accident. I was in his home for about five minutes. He never visited my home. I had actually no social contacts with Lauchlin Currie. The one contact I had with him other than that covered, of which these documents, exhibit "7", are typical was when I had a forced landing at Westchester County Airport and I had to be at work the following day. My airplane got weathered in there due to smog and I couldn't figure out any way I could get over to the railroad in order to continue my trip and finally I remembered that he lived some place near there and I called him up and he, in return for taking his son for a ride in my airplane, offered to drive me to the station. And that was the only other contact I've ever had with Lauchlin Currie, other than those of which those documents are typical.

Q. You've already said that at the time you met Dr. Currie, the first meeting with Dr. Currie, he was in the White House, that is, in the White House executive offices as a special advisor to the President, and of course, you are aware that Currie has been identified in the public testimony as a member of the Silvermaster espionage group?

A. I am aware of that.

Q. Did you have any knowledge or do you now have any personal knowledge of any activities on the part of Dr. Currie other than the business enterprise that you have described?

A. Well, the only other activity of his, is that I understood he was a professor before going to work for the Government and that he had made a fortune in the stock market and had lost it. I believe I picked that information up from him or from somebody else or read about it in the paper. That's the only other knowledge I have of him.

Q. When did you first learn that Dr. Currie had been

identified with the Silvermaster espionage ring?

A. I learned that from Elizabeth Bentley's testimony when it was made public and that was in the summer of [fol. 259] 1948. I was about to set out on a two-week sailing trip. My boat was at the end of the dock. I had come in to pick up the groceries which were inside the dock and somebody had a newspaper there that had Silvermaster in big headlines and a lot of other things. I was quite surprised and taken aback and got the newspaper and read it further and that's when I saw Currie mentioned too.

Q. And you got this knowledge from the newspapers before or after the termination of your relationship with Dr.

Currie which was January 13th?

A. It was at least six months after the termination of my contacts that I learned about his activities from the Elizabeth Bentley testimony.

Chairman: We will now adjourn for lunch and return here in approximately one hour.

Counsel: About 1:15? Chairman: 1:15 to 1:30.

Chairman: The witness' name, please!

Counsel: Yes. Juliana, JULIANA DAY.

Chairman: Miss or Mrs.?

Counsel: Well, it's precisely Dr.

Chairman: Dr. Day, will you raise you hand and be sworn, please? Do you, Miss Day, solemnly swear the testimony you are about to give in the case now in hearing shall be the truth, the whole truth and nothing but the truth, so help you God?

Dr. Day: I do.

Chairman: You may proceed. We'ze on the record.

Counsel: State your name and address, please.

Dr. Day: Dr. Juliana Day at 8207 Grubb Road in Silver Spring, Maryland.

Counsel: You had better spell Grubb.

A. GRUBB.

Counsel: Where are you employed, doctor?

A. I'm employed at the National Institutes of Health, at Bethesda, Maryland.

Q. And are you acquainted with Mr. William Lewis

Greene!

[fol. 260] A. I am.

Q. And when did you become acquainted with him?

A. In the fall of '42.

Q. And that was just shortly prior to his marriage to Jean Hinton?

A. That's right.

Q. And did you know Jean Hinton?

A. I know, yes.

Q. Did you have occasion to attend a social function at the Greene household during the time that Mr. Greene and Mrs. Jean Hinton Greene were married?

A. Yes.

Q. Do you recall that incident?

A. Yes.

Q. Can you fix the date of it?

A. I think it was some time in the spring of '43.

Q. And do you remember anyone else who was present?

A. Yes.

Q. Were there any foreign military officers present?

A. Yes.

Q. And what nation did they represent?

A. They were Chinese.

Q. Do you recall the names of any of those military officers?

A. Only one.

Q. And what was his name?

A. His name was Lt. Colonel Wang.

Q. And that's spelled WANG?

A. That's right.

Q. And why do you remember Lt. Col. Wang?

A. Why do I remember his name?

Q. Yes.

A. Because I saw him again once after that.

Q. And did you see a picture of him at one time?

A. Yes, I saw a picture in the "Life" magazine several months later. That's why I remember his name.

Q. And did you clip that picture?

A. I clipped that picture.

Q. Do you have it with you, Dr.?

· A. Yes.

Q. Looking at this picture, is the man you refer to, the man on the right as you look at it the—

A. Yes.

Q. Gentlemen, I'm not going to introduce this because it's a keepsake of Dr. Day's but I just thought you might—

Chairman: I ask you, Dr. Day, who are the Davies, do [fel. 261] you know who the Davies are, who they refer to here?

A. No, I don't.

Chairman: As arranging the party?

Dr. Day: No, I don't.

'Counsel: I want to make it quite clear, this picture doesn't refer to the party at Mr. Greene's house?

Dr. Day: No.

Counsel: I can identify the Davies as Honorable Joseph E. Davies and that is the lawn at Trevelle's which was written out—I only show it, I might say, because it shows how Dr. Day happened to remember this particular name. That's all my questions for her.

Chairman: Mr. Scanlon, do you wish to inquire?

Mr. Scanlon: One moment sir. Dr. Day, have you known Mr. Greene since approximately the fall of 1942?

A. That's right.

Q. When did you first meet his wife Jean Hinton Greene!

A. When I was a small child.

Q. You knew her in Vermont?

A. In Cambridge, Massachusetts.

Q. And have you been closely associated with Jean Hinton Greene through the years, Dr. Day?

A. Not closely. She went to the same school I-

Q. Could you kind of review for us a little bit the nature of your association with Mrs. Greene?

A. Could you make it more explicit?

Q. Tell me, if you would, the nature of your association, what it has been when you have seen her through the years since your early school days.

A. She and I went to the same school from the time I started school to the time I finished school—in that particular school which ended in 1933. And then in 1937, I went to her mother's school—Putney School in Vermont.

Q. Did you continue your association?

A. Well, I didn't actually see her, maybe, except when she was visiting or something like that, at the school.

Q. When did you next have frequent contacts with her?

A. At the time originally stated, I saw her that once in the fall of '42.

Q. You only saw her just that once?

A. Until Bill and Jean were married.

[fol. 262] Q. That was just a few months later?

A. That's right.

Q. Between 1937 and 1942, you had no contacts with her, is that correct?

A. I think that is.

Q. And you again met her in 1942 through Mr. Greene, is that correct?

A. No, it's the other way around. I met Bill through her.

Q. How did that come about, Dr. Day?

A. She invited me to have supper with her and Bill Greene and one other person.

Q. How did you get in contact with her just prior to this invitation?

A. You mean how did she know how to get hold of me!

Q. That's right.

A. I have no idea.

Q. She just sought you out and invited you to dinner?

Q. That was not withstanding the fact that you had had no contact with her for some five years previously?

A. That's right.

Q. And you weren't curious to find out from her as to how she knew your whereabouts and came to invite you to dinner, is that correct?

A. Well, there was no question there in my mind.

Q. This dinner that she invited you to was this a dinner with herself, and Mr. Greene present and yourself or were there others present?

A. There was one other present.

Q. And who was this other person present, Dr. Day!

A. Fred Coolidge.

Q. I believe that that is an old friend of hers from back in(?)....(... days too?

A. From Cambridge.

Q. Dr. Day from that time on, did you continue to have frequent association with Mr. Greene and his wife during their married life?

A. Infrequently, up until the time I left Washington.

Q. When was that?

A. That was in September of '44.

Q. Have you had any contacts with Jean Hinton Greene since September 1944?

A. No, I have not.

Q. During the period you visited Jean Hinton Greene, Dr. Day, do you know whether or not, in your opinion, she was a Communist or was pro-Communist in her views?

A. Do you want to say that again?

[fol. 263] Q. During this period that you were personally acquainted with and associated with Jean Hinton Greene, did you have any reason to suspect that she might have been a Communist or pro-Communist?

A. I had no knowledge that she was a Communist.

Q. Did you ever have any reason to suspect that she was pro-Communist, Dr. Day,(?)..... time, Dr. Day?

A. No.

Q. Have you since, had reason to suspect that she might have been?

A. Reason to suspect it possibly.

Q. Is that based on things that you have heard since you have terminated your relationship with her?

A. Yes.

Q. Nothing you observed during the time you associated with her forms the basis of that suspicion, is that correct?

A. I can't answer that.

Q. What I'm trying to get at, Dr. Day, is whether or not during the period 1942, '43 and '44, when you had more or less frequent contact with Jean Greene, did you have any reason to suspect that she was pro-Communist? Did you ever hear her make any remarks favoring Russia or favoring Communism?

A. I'm afraid I was the sort of person that did not notice this kind of—her views were something that I just did not

pay attention to.

Q. Then you can't tell us then whether or not of your own knowledge and observation of Jean Greene, whether or not she was pro-Communist?

A. No.

Q. Could you have had that opinion as to Mr. William Greene?

A. Yes.

Q. What is your opinion concerning Mr. William Greene's loyalty?

A. Can you make that more explicit?

Q. Do you feel that Mr. William Greene has at any time been pro-Communist?

A. No, I do not.

Q. Have your observations of Mr. Greene been any closer than your observations of Jean Hinton Greene?

A. Yes, somewhat.

Q. In what way, Dr. Day?

A. Perhaps because she was somewhat of a remote person.

[fol. 264] Q. What do you mean by remote? You mean she wasn't friendly, she didn't mingle?

A. I'm afraid I can't answer that.

Q. Dr. Day, do you feel that you are qualified to express an opinion as to whether anybody might be pro-Communist or anti-Communist!

(Long pause-preceding question not answered.)

A. Yes.

Q. Have your observations of Mr. Greene been any closer or of any different nature than your observations of Jean Greene?

A. No, not really.

Q. Then you're no better qualified to express an opinion concerning Mr. Greene than you are concerning Jean Greene, is that correct?

A. Well, it's sort of hard to explain my position that way because I'm so unpolitically minded.

Mr. Scanlon: I have no further questions, Mr. Chairman.

Chairman: Captain Singer?

Capt. Singer: L have no questions.

Chairman: Mr. Simms? Mr. Simms: No questions.

Counsel: Now, doctor, I'd like to go back just for a minute or two. When you lived in Cambridge as a child, you knew the Hinton family at that time?

A. That's right.

Q. And your mother and father knew the Hinton family?

A. That's right.

Q. Now, did you go to Washington, do you recall?

A. Yes, in September of '42.

Q. And when did you leave Washington?

A. In September of '44.

Q. And why did you leave Washington?

A. To go to medical school.

Q. And at this time you had, I think you've described yourself as non-political, was that true at this time also?

A. Yes, indeed.

[fol. 265] Q. Now, when did you finish medical school?

A. In June of '48.

Q. And after you finished medical school, did you take a residency or first an interneship and then a residency?

A. That's right.

Q. Where?

A. Interneship at Eastern Maine General Hospital and residency at Hopkins in Baltimore.

Q. That's Johns Hopkins University Hospital in Balti-

more!

A. That's right.

Q. And after that where did you work?

A. I worked with the Veterans Administration Hospital for a year.

Q. Is that the one at Perry Point?

A. That's right.

Q. And after that, where did you work!

A. And after that I worked in a State Hospital in Mary-

land, Crownsville State Hospital.

Q. Now, when you got down to Baltimore and then to Crownsville, did you know, was Jean Hinton living in the neighborhood or in that area?

A. No, she was not.

Q. Was Bill Greene still living in that (interruption)

A. Yes.

Q. And you did see Bill on occasions?

A. Yes.

Q. And you've been sailing with Bill?

A. Yes.

' Q. You've visited at his home and now made friends with Mrs. Dorothy Greene?

A. Yes.

Q. And you know Mrs. Dorothy Greene?

A. Yes.

.Q. And prior to today, when was the last time that you saw Mr. and Mrs. Greene, approximately?

A. Last summer or fall.

Q. Now, when Mr. Scanlon asked you if (you) frequently associated with—using the name Jean Hinton only to distinguish the lives with Mr. Greene and Jean Hinton, what did you mean by frequently?

A. I said infrequently.

Q. Infrequently? Did you see Bill Greene more often in that period than Jean Hinton?

A. I did see him occasionally.

Q. What was the reason for that—that you would see him and not see Jean Hinton?

A. Well, I would come over to supper at the Greenes'

and Jean would go out for the evening.

[fol. 266] Q. And do you recall where she said she was going?

A. She was generally going to union meetings.

Q. And did you know anything about unions at that time?

A. Not any more than I do now.

Q. Which is what? How much do you know about unions?

A. Not a great deal.

Q. Now, Mr. Scanlon asked you if you considered yourself qualified to tell whether people were pro-Communist or anti-Communist-the fact is that your interests have never run in political lines, isn't that so?

A. Terribly true.

Q. So that actually you are quite unqualified to make any opinion and judgment as to, from people's conversation, what their political point of view might be, would you say that's correct?

A. Yes.

Counsel: I haven't anything more.

Chairman: Thank you doctor.

Witness excused.

Counsel: Before you put Mr. Greene back on the stand, Mr. Wells from the company is coming and I asked the

girl out there to let me know if, I suppose she will.

Chairman: She'll probably knock on the door or something or if you feel that the time has come when he should be here and you want an adjournment, you just request it. Let me remind Mr. Greene that he's still under oath.

TESTIMONY OF WILLIAM LEWIS GREENE (Resumed)

Counsel: Now, Mr. Greene, you made some reference to the Greene Engineering Company and I believe you said that was the formalization of your consulting work, is that correct?

Mr. Greene: Well, it was a formalization of one phase of it.

Q. Now, what was the Greene Engineering Company! First, was it a corporation or was it a partnership!

A. It was a partnership.

Q. And who was your partner?

A. Richard Sasuly.

Q. And when did you form that partnership, as closely as you can tell us?

A. Well, in very early 1947, around the first of Feb-

ruary.

[fol. 267] Q. I'm going to hand you a rather dog-eared document which has been marked exhibit number "8" and have you say what it is?

A. This is my copy of the partnership agreement between

myself and Richard Sasuly.

Q. And does that agreement state all of the terms of the partnership?

A. It does.

Q. Can you tell from that instrument when this partner-ship was born?

A. It was about February 1947.

Q. I'd like to offer exhibit number "8" in evidence.

Chairman: Received exhibit number "8".

Q. Now, I think you talked a little bit about Richard Sasuly before—SASULY. How did you come to meet him?

A. I first became conscious of him when I was introduced to him by Jean Hinton as her boss. She worked for him in the Department of Agriculture and at the time of the introduction, she told me that he's a very brilliant man whom she worked for and thought a lot of him.

Q. Now, tell the Board a little more of how you came of form Greene Engineering Company as a partnership

with Richard Sasuly?

A. Well, we saw the Sasulys infrequently prior to 1946, the end of '46, the beginning of '47. A good portion of that time, he was away in the Armed Forces and prior to his going away, we just didn't seem to have much to do with them. When he came back, I got the feeling that he and Jean Hinton were on fairly friendly terms and she would suggest we go up to his house to see him.

Most of the time, we went to their house, occasionally they visited with use I can't remember any dinners at our house, very few at their house but they did give some cocktail parties. We were invited to those and I think we went hiking along the Potomac River with them a few times. But one time, we were up at their house and they were having a cocktail party and there were some people there who were discussing a prefabricated house. I think they were trying to raise money-have people buy stock in this prefabricated house. There was a lawyer there by the name of Nathan Mayer and some woman whose name I don't remember, but she was connected with this [fol. 268] housing project, in that, she was an official in the C. I. O. and they were working out some agreement where the union would not boycott the house or something like that because they would have union people work on the house—something to do with the building trade. Anyway, while they were talking, they got to discussing the problems in making things out of aluminum. This house was made out of very thin aluminum and this fellow, Mayer, who was a lawyer, I understand, said he just didn't understand how you put it together but he had some familiarity having worked in a defense plant on aluminum airplanes. I spoke up and said that I was familiar with it and I sensed an opportunity of doing two things. One thing was getting some consulting work since he seemed to be at a loss as to how to fabricate this stuff from a production standpoint. The second thing was, I thought of the possibility of selling our machinery at ERCO to this prefabricated house corporation called General Homes.

Q. Pid you succeed in selling some machinery?

A. That I did. In fact, I think the riveters sales that we made to General Homes were a substantial part of the business in that year, that isn't exactly the case but it was a noticeable piece of business since we were practically doing no other business at ERCO. In any case, we sold them, I believe, two riveters for fabricating these houses. And ERCO built all types of production machinery for building aluminum aircraft and fabricating aluminum.

Q. And was Greene Engineering Company formed in connection with this consulting work for General Homes?

A. That's right. I said to Dick, who I knew, and, that is, Dick Sasuly, and not to Mayer, since I didn't know him at all, I suggested to Dick that this would be a good opportunity for me to do some consulting work. And he said, "Well, that sounds like a reasonable thing." I said, "Well, why don't we get together on it since you know him and I don't. Let's see if we can talk this up." Well, out of that conversation, came the suggestion for the partnership and I'm not perfectly clear who first said who should be partner to who. But it was one of those things that just sort of grew up on the spot. At that time Sasuly, to the best of my knowledge, was doing free lance writing [fol. 269] and I suspect, not succeeding too well at it and he too was interested in earning some extra money. Well, out of that conversation grew the partnership agreement which we have just submitted in an exhibit.

Q. Now, who drew the partnership agreement?

A. Dick, well, the question then came up and Dick Sasuly said that he had some friends who were lawyers and that he thought it would be a good idea to have these lawyers take care of the legal matters. At that time, I knew nothing about legal matters whatsoever. I had never paid for legal services other than the name change which my father had paid for and I had no connections in the legal fraternity, so that I left it up to him. He went to a law firm called Greenberg, Forer & Rein, and they drew up the partnership.

Q. I guess maybe we had better spell those names.

A. Greenberg, GREENBERG, Forer, I believe is FORER, Rein is REIN.

Q. Now, Mr. Greene, this law firm has achieved some notoriety in connection with subversive people and activities, has it not?

A. I noticed in the newspaper, quite a frequent defense of Communists by this law firm. This is all subsequent to my knowing them. I had no knowledge that they were that type of law firm at the time I did business with them.

Q. Now, you went to work on this consultation for General Homes, did you meet Samuel J. Rodman?

A. Yes, he, I gathered, there again I'm taking just the man's word for it, was introduced to one of the principal

stockholders in this company and I met him at one or two or three meetings in which the stockholders were, wanted to get my opinion as to whether this company would be a success or not and whether it was financed strongly enough. I might add I had no social contact with Mr. Rodman, at all.

Q. Have you ever had any other connection with Mr.

Rodman other than the General Homes?

A. No, I've never seen him in connection with anything else.

Q. I'm going to hand you now a piece of paper which has [fol. 270] been marked exhibit number "9" and ask you to say what that is.

A. This paper, exhibit number "9", is a letter from me dated July 2, 1947 to Dick Sasuly breaking up our partnership.

Q. And what is the date of that letter?

A. July 2, 1947.

Counsel: I'd like to offer it.

Chairman: Received in evidence as exhibit "9".

Counsel: Did you write that letter approximately July 2, ... 1947?

Mr. Greene: Yes, I did. I wrote that while I was up at Putney.

Q. After that date, did you have any business or social

relationships with Richard Sasuly?

A. I had no business relationships with him and I had an accidental encounter with him when I went to the Popper home prior to my second marriage in order to get some furniture. He was at the house at that time when I arrived there.

Q. I'm going to hand you a number of sheets of paper which have been marked exhibit number "10". Will you

just look through those and tell me what they are?

A. Exhibit number "10" consists of roughly three items. First item is a letter from Mr. Sasuly commenting on the design of the house and also describing the enclosure which went with the letter which was a proposal for our services to General Homes. The proposal is the second item. The third item is a letter from General Homes to Greene Engineering Company accepting the proposal.

Q. Now, do these letters, so far as you know, constitute a fair sort of summary of what you did with General Homes?

A. Those letters are typical of the relationship that existed between Greene Engineering Company and General Homes.

Counsel: I'd like to offer exhibit number "10" in evidence.

Chairman: Received.

Counsel: Now, did the Greene Engineering Company do

anything else?

Mr. Greene: Well, the agreement that I had with Sasuly was that I would do the engineering work and he would try to dig up new business for the firm. The only business we had was with General Homes. As it turned out, it was the only business we ever did get indicating that the [fol. 271] partnership just wasn't a successful venture. He said, through some contact of his, that he thought we could get some work from the Yugoslav government in connection with their lumber industry. And in addition to that, he also thought we could get some work in connection with Caustic Soda Mills, I believe, in India. I don't (know) whether that was to be with the Indian government or just how it was to be handled but that was the other one I remember.

Q. Did you ever follow up on the Caustic Soda Mill?

A. No, I didn't. When the partnership was dissolved,

I just dropped the whole matter.

Q. Now, tell the Board exactly what it was that Sasuly proposed that you should do for the Yugoslav government?

A. Well, he arranged for a meeting at their Embassy on 16th Street and we went there and discussed the possibility of coming up with a program for their lumber industry. And as I remember, the program, as it developed, we finally decided to try and concentrate on supplying them with a plywood plant, for manufacturing plywood, right there for export.

Q. Did you meet Dr. Vaso Syrzentic? This name is

spelled SYRZENTIC.

A. I must have met him. I have no recollection other than that was the name of the man that I met at the Embassy, however, in view of correspondence I have, I'm sure that that must have been the man I talked to. The name was not familiar the first time I heard it but on going through my files, he's referred to. I do know we met a man at the Embassy who had some sort of commercial job with the Embassy. We had a talk with him and to the best of my knowledge that was the only time I ever saw and the only contact I ever had with him. That was in the spring of 1947.

Counsel: I want to hand you what is marked exhibit number "11", ask you to look at it and tell the Board what it is.

A. This is a copy of a letter from Richard Sasuly under the letterhead of the Greene Engineering Company to Mr. Vaso Syrzentic outlining our proposal and study of the Yugoslav lumber industry.

Q. Now, did you receive that letter in the usual course

[fol. 272] of Greene Engineering (interruption)

A. Yes, I insisted that I get a copy of any correspondence that went out under the letterhead and to the best of my knowledge, this is one of those items. Now, he had paper and whether I saw everything he ever wrote, I don't know, but this was one of the items I got from him as correspondence, in my file.

Q. Now, looking at this exhibit can you refresh your recollection as to the date on which you saw Dr. Syrzentic?

A. This letter refers to a meeting in January 15th and that time is perfectly logical and I see no reason why to doubt it, or to doubt it.

Q. And you saw him only once, is that right?

A. Well, to be perfectly factual, I saw a man at the Yugoslav Embassy and based on this letter, I can only assume that that was Syrzentic. I have no recollection of the name of the man. He had a commercial job there. We discussed this lumber industry. I have a vague recollation of his saying that he would be out of town in the future but to contact someone else there if we had any further business with them.

Q. Now, prior to this hearing, you have read the letter there—you read it over?

A. Yes, that is right.

Q. And is that a fair summary of what was talked about with this person at the Yugoslav Embassy?

A. It is that. I remember the only thing we discussed at that meeting was the possibility of doing some work on wood products for them.

Q. I'd like to offer exhibit number "11" in evidence.

Chairman: Received.

Counsel: Now, Mr. Greene, paragraph six of the letter in question states that you attended the Third Annual Dinner of the Southern Conference for Human Welfare. Did you—and the date of that is fixed as April 7, 1947!

A. I did.

Q. Did you attend that dinner?

A. I know I attended a dinner at The Southern Conference and the timing is just about right. I don't remember the exact date.

Q. Did you attend any other meetings of the Southern Conference for Human Welfare?

A. I am not clear. I never attended any meeting other [fol. 273] than the dinners but I'm not sure whether we went to another dinner earlier than that one the year before or not. I can't say for sure. But I never attended any meetings of the staff of the Southern Conference or anything except one dinner. The only thing I ever attended was this one dinner with a possibility of having attended the one a year earlier.

Q. Now, did you ever go to any dinner after '47?

A. I never had any further contact with the Southern Conference for Human Welfare.

Q. Well, at the time you attended that dinner did you, what did you know about the Southern Conference?

A. All I knew about the Southern Conference was that it was an organization that was trying to promote the wealth and industry in the South and that a lot of prominent people belonged to it and my wife seemed to think that it was a good thing and from what I had read about it, I could see nothing wrong with it.

Q. Are you referring, when you say your wife, you refer (interruption)

A. My first wife, Jean Hinton.

Q. Do you remember any of the people that were there?

A. I believe there was a Supreme Justice there; I think Eleanor Roosevelt was there; there was a folk song singer who sang songs; there were some speech makers, by people that seemed prominent people to me at the time.

Counsel: I have here, may it please the Board, a photostat which was made by the Library of Congress, which is a contemporary newspaper account of this dinner which I have marked exhibit "12" and which I would like to offer in evidence.

Chairman: Received as exhibit "12". Mr. Berueffy, the article you refer to, is in the second column, is that it?

Counsel: Yes.

Chairman: Would you like to mark the article that you're

referring to so that it will be clear?

'Counsel: Yes, it's the article in column 2 of page 16 of "The Star" of April 8, 1947, headed "Welfare Conferences Warned of Forces Fighting Democracy" and I have marked it with two—the beginning and the end with a half bracket—[fol. 274] at the beginning and the end.

Chairman: I see. Is it indicated on there as to what

periodical that comes from?

Counsel: Yes, the mast head of the paper is left on— "The Evening Star" of Washington, D. C. and also the page number.

Chairman: Thank you.

Counsel: Mr. Greene you invested a thousand dollars in Metropolitan Broadcasting Corporation; and you were a director of that corporation?

A. That is right.

Q. And did that corporation operate as radio station WQQW?

A. That is right.

Q. Why did you invest in that radio station?

A. Well, I fead their prospectus and it outlined a program of good music with a minimum amount of station, breaks which appealed to me no end. I remember they

stressed the fact that they would be able to play symphonies right through to the end without interrupting them. And I've always been very fond of music and it seemed like such a station was sorely needed; and I thought it had a good chance for a return on the investment because I felt there were a lot of people like myself who would listen to a station that provided uninterrupted good music.

Q. Do you remember approximately when you were elected as director of Metropolitan Broadcasting Company?

A. It was about the early part of 1947, right around the first of the year, I believe.

Q. And did you have a particular assignment in your

capacity as a director?

A. They asked me—I was the only technical minded person on the Board of Directors. I felt that they had an impression that if a person was an engineer, he knew everything about all phases of engineering because they asked me to check the recommendations of a consulting engineer that had been hired to provide the equipment for the station. And I did that by asking friends of mine what they thought of these various components since I, myself, didn't know too much about radio equipment. I remember they asked me whether I thought Collins was a good make of transmitter equipment I remember having that confirmed [fol. 275] by one of my friends. And the only activity I ever had on that Board was answering questions as to the caliber of the equipment they were intending to buy.

Q. Now, when you say you talked it over with, this talking over with your friends, can you be a little more specific

as to person or persons with whom you talked?

A. Well, the one close friend of mine who I saw more of than anybody else and would naturally talk to about this was Joe Clements and I have a recollection of asking that question about Collins to him and his coming back. "Well, all the Air Lines use it so it must be pretty good." It was either Joe Clements or Frank Lane.

Q. Now, when did you cease to be a director of WQQW!

A. I resigned from it in the early part of the summer of 1947. I would say it was approximately six months after I became a director.

And why did you resign from-

A. Well, there were two reasons: I was leaving town for one thing and would be unable to devote any time to it and I wasn't doing anything as a director on it. I just didn't see any point to it.

Q. Now, I'm going to hand you a paper which has been marked exhibit number "13", that is, a series of papers,

is that a letter in lieu of prospectus-

A. This photostat is what I consider a prospectus for the station, in trying to sell stock in it, setting forth why they were having this station and what it was.

Q. And was it on the basis of that or a similar prospectus

that you invested in WQQW?

A. Well, I'm not sure I had this prospectus at the time I invested but it was something very much like this if it wasn't this. This was the general type of thing that led me think that this was a good investment.

Q. Now, I'm going to hand you a document which has been marked exhibit number "14" and ask you what that is?

A. This is a photostatic copy dated, of a letter dated July 2, 1947, from me, resigning from the Board of Directors of station WQQW.

Counsel: I'd like to offer "13" and "14" in evidence, if I may.

[fol. 276] Chairman: Received.

Counsel: Now, I'm going to hand you some more papers.

This will be exhibit number "15". What is that?

Mr. Greene: Well, this is an article that appeared in the "Time" magazine which described the activities and programs of WQQW. It sort of told the story of it in a rather brief way.

Q. That was published at approximately the time you belonged to WQQW?

A. That's right. It was during the period when I was in it.

Q. I'm going to hand you exhibit number "16" and ask you to say what that is.

A. This is a photostatic copy of a list of the Board of Directors of WQQW at the time I belonged to it.

Q. And does your name appear on that list?

A. It does.

Q. Now, I'm going to hand you a series of papers marked exhibit number "17" and ask you to tell me where—

A. This is a photostatic copy of a list of stock holders that was mailed to all the stock holders—any stock holders of WQQW at the time we're discussing.

Q. Now, were all three of those documents taken from

your files?

A. I believe they were. I know I kept the literature in the same drawer which I described before.

Q. And the originals of these date back to the time of

your connection?

A. That is right. The material on WQQW was in my files with the literature I received from the station at that period.

Q. And does the stockholders list contain some descrip-

tion of who the various people were?

A. It tells where they're employed. No, that isn't correct. It gives their reference and their home address and their citizenship and their amount of interest in the station. The Board of Directors list tells where they were employed.

Q. I would like to offer "15" and "16" and "17" in evi-

dence.

Chairman: Received.

Counsel: Now, did Jean have anything to do with your

investment in WQQW?

Mr. Greene: She didn't have anything direct to do with it. She thought it was a good idea and encouraged the in[fol. 277] vestment, in that, she liked good music too; and to the best of my knowledge, that was her only interest in it. When we discussed the problem of investing my money, she said, "Well, it sounds like a good idea and we'll have some place we could turn to and get good music." That was one of the things we shared in common, in that, we both enjoyed classical type of music.

Q. Now, from 1942 until 1946, would you say again what your particular work with Engineering & Research Corporation was?

A. I was the chief engineer of the Propeller Division of the Engineering & Research Corporation under the chief engineer of the entire engineering department. Q. That was Dr. Fred Weick?

A. Mr. Fred Weick-WEICK.

Q. What was your salary at that time?

A. Well, my salary at that time fluctuated because when the owner of the company went into the Air Force, right at the end of '41, he arranged for the key personnel of the plant to have a bonus arrangement. This bonus arrangement consisted of a percentage of the gross of the division that the particular person was connected with. In other words, for all propeller sales, gross, I would receive, I believe, it was one eighth of one percent of that particular gross.

Q. What is your status(?)...... the owner of the company whom you worked for has been kind of vague,

is Col. Henry A. Berliner, is that correct?

A. That is correct.

Q. Did you have a basic salary plus your bonus?

A. That's right. My basic salary went up during the period '42 to '46. I believe at the end of '46, it was in the neighborhood of eighty-five hundred dollars to nine thousand dollars a year and then in addition to that, I got a percentage of the gross sales of the propeller division.

Q. At this time, you were primarily engaged with the Schwartz propeller in the department which your company

was attempting to add to it, is that correct?

A. That is correct.

Q. Was the Schwartz propeller something that information as to which was classified military information?

A. Let me explain what the Schwartz propeller was. [fol. 278] The Schwartz propeller was the name of a composite propeller blade that had been developed and patented in Germany. The patents were public information although they were owned by the Schwartz Propeller Works in Germany. Consisted of a wood core covered with a plastic. Being made out of wood, it couldn't be made as thin as a metal blade. That was its big drawback. In addition to that, it wasn't as strong as aluminum as far as abrasion is concerned and tended, when it broke, it broke badly. We got that license in 1943, I believe, just before I came with the company or right afterwards. And tried to improve it so that it could come up to the quality of American pro-

peller blades. We never were successful in doing this. We changed the materials, we impregnated the wood that went into the blade, we changed the attaching methods but at the end of the war, it was decided by the Armed Forces that it was worthless and they would not support any development work in it any more. Now, to get back to the question as to its classification, the bulk of it was either unclassified or classified "restricted". There were occasional projects, that when they were started up were classified "confidential" and later declassified when the propellers failed. I know of nothing higher than "confidential" in connection with the Schwartz propeller or further improvements of it.

Q. Did you make an effort to sell the Schwartz propeller, including in the Schwartz propeller, my definition for these purposes, the basic patent plus the refinement, plus the engineering and production know-how that you had gotten, did you personally make efforts to sell the Schwartz pro-

peller?

A. I did.

Q. Now, who were potential customers for the Schwartz

propeller at that time?

A. Well, to understand the answer to that question, you have to go to the background of that. The Germans had licensed us to manufacture the Schwartz propeller. They had also licensed the British. The British in turn had licensed the Canadians. We had the contract for educating the Canadians in making the propeller. That left only two countries that had the necessary where-with-all, and physi-[fol. 279] cal location to manufacture the Schwartz propeller, other than the Germans who were on the other side; that was the Chinese Nationalist government and the Soviet Union. The Chinese Nationalists had been interested in the possibility for some time. Neither attempts were successful.

Q. You heard Dr. Day testify to your having Chinese military officers at your house on this occasion. Was that in connection with the sale of the Schwartz propeller?

A. That is correct. Col. Wang was part of the purchasing mission, military mission with the Chinese Nationalist government in the United States and he was interested

in the possibility of making Schwartz propellers and one of the ways of encouraging his interest was to invite him and some other Chinese Embassy officials over to the house. In order to have a date for him, since he was alone, he didn't have any wife that I knew of, I invited Dr. Day to the House to keep him company at this party we had, dinner party.

Q. Did you also approach the Embassy of the Soviet

Union?

A. I did. ..

·Q. Tell the Board how you made your original contact with the Soviet Embassy?

At this point there was an interruption and the Board was informed that there was a witness outside who would have to leave by three o'clock.

Chairman: I suggest that you hold the answer to that question up. Would you want to put this party on the stand now!

Counsel: Yes, I think so. I might tell you, Mr. Waldman,

I've never talked to Mr. Wells.

Chairman: Would you want a few minutes?

Counsel: Would you mind?

Five Minute Recess Called.

TESTIMONY OF LESTER ALLEN WELLS

Chairman: Will you raise your right hand, please. Mr. Wells, do you solemnly swear that the testimony you are about to give in the ease now in hearing, shall be the truth, the whole truth and nothing but the truth, so help you God. [fol. 280] Mr. Wells: I do.:

Chairman: Will you state your full name and address,

please?

Mr. Wells: Lester Allen Wells, 10 East Blackthorn Street, Chevy Chase, Maryland.

Counsel: What is your occupation, Mr. Wells?

Mr. Wells: I'm president of the Engineering & Research Corporation.

Q. And that's located at Riverdale, Maryland? A. That's right.

Q. And how long have you been president of that corporation?

A. Since 1942.

Q. How long have you known William L. Greene?

A. Since 1937.

Q. What was his position when he first came to your company?

A. He was a junior engineer draftsman combination. It, was a small company then and his duties encompassed en-

gineering and drafting.

Q. And what was his final position in the company—the one that he last held?

A. He was vice-president and general manager, as a matter of fact, he was an understudy for me.

Q. How well have you known Mr. Greene since he came to the company, since 1937?

A. I should say, very well.

Q. Did you ever meet his first wife, Jean Hinton Greene!

A. No, I never did.

Q. Have you had occasion to talk to Mr. Greene about things other than just strictly business and to observe his general outlook towards life and our system of Government and such matters?

A. Yes, I would say so, I mean, we couldn't talk business all the time and I've known Bill about seventeen years.

Q. In that seventeen years, do you know of anything that would have caused you to form a doubt as to whether he was a loyal employee of the company and a loyal citizen of the United States?

A. Will you restate that, please?

A. No.

Q. Have you ever heard him say or do anything that would indicate that he was pro-Communist?

A. No.

Q. Now, do you recall when Mr. Greene was in the propeller division and was working with the Schwartz propeller?

A. Yes.

Q. Did you keep general touch with what was going on in the Propeller Division?

A. Yes.

Q. At the time did you know that Mr. Greene was seeing various members, various military members of the Soviet

Diplomatic Staff?

A. I can recall one instance when Bill spoke to me about the possibility of us making a deal with Russians at Amtorg, let's call it that. I don't know what their political affiliations were. I presume they represented the Russians. Said there was a good chance for us to sell or license for technical know-how for the manufacture of Schwartz blades, propeller blades, aircraft propeller blades.

Q. And what you would be selling would be the technical know-how of how to produce this blade, in any event, is

that correct?

A. Yes, as far as I can see without looking at our license. We weren't licensed to do anything else but that. We were a licensee under a German patent which was then, I believe, controlled by the Alien Property Custodian.

Q. Was there any reason why this should not have been

sold at this time to the Russian Government?

A. Not that I can think of.

Q. Had your company done business with the buying agency of the Russian government, namely Amtorg?

A. Yes.

Q. How far back do you recall that business relationship with Amtorg as existing?

A. 1937 I believe. This is from memory.

Q. Yes, I understand that. Would you regard the Amtorg as a fairly substantial customer for Engineering and Research in those early days?

[fol. 282] A. Yes.

Q. Now, Mr. Wells, on November 28, 1951, you wrote a letter addressed to the Personnel Security Board, the old Board, and I've got a photostatic copy of that which I would like to call to your attention. It appears in my file

right here, sir. At that time, does that letter represent your honest opinion of Mr. Greene?

A. Yes.

Q. And does it show that (inter uption)

A. It still represents my opinion.

Q. This letter appears in the file Mr. Waldman. It's the letter of November 28th addressed to the joint Air Force Board. I really don't want to take the time by reading it—

Chairman: I know that we have it in the file. I mean the letter you refer to, just shown to the witness and which he referates, is in our file. The record will so note.

Q. Do you know the present Mrs. Greene?

A. Yes.

Q. Do you know anything about Mr. Greene's present social acquaintances?

A. No, not too much.

Q. Do you know what his reputation among the people that he works with, what his general reputation is?

A. I would say it's generally good.

Coursel: I think that's all the questions I have with this witness.

Chairman: Mr. Scanton?

Mr. Scanlon: Mr. Wells, has your relationship with Mr. Greene been limited for the most part to business contacts?

A. Yes.

Q. You had little or no social contact with him?

A. Very little

Q. Would you tell me, sir, just in a general way the various steps with the dates connected therewith of Mr. Greene's rise in your firm from his first employment there?

A. I don't believe I can give you dates, sir, I'm not sure about it. I can approximate them if that will be of any use to you.

Q. Mr. Greene has gone over this with us this morning. There are one or two things that I wanted to check.

A. I'll be very glad to do all I can, sir.

[fol. 283] Q. I would like you to determine as closely as possible just when Mr. Greene obtained the position of projects engineer in your firm?

A. I would guess, this is purely a guess, about 1942 or

Q. Mr. Greene has indicated that it must have been about December of 1940. I don't think he put this down as an exact date but as an approximation.

A. I wouldn't want to refute any statement he made without referring to the records because I just don't know.

Mr. Greene: Can I say something.

Mr. Scanlon: Yes, sir. I would like to get that as closely

accurate as possible.

Mr. Greene: We have a copy. One of the fellows, witnesses brought it up with him that had a lot to do with the personnel record.

Mr. Wells: As I say, it's all a matter of record(?)
..... and I'll be very happy to supply it to anybody in-

terested but I don't have it with me.

Mr. Greene: We asked for it and one of the fellows brought it up with him. Our personnel records are very good, incidently.

Mr. Scanlon: Does that report indicate Mr. Greene's

rise in the firm?

Mr. Wells: Yes, generally.

Q. I wonder if you could give me his various positions with the dates?

A. Well, there are a whole string of them here. I'll be glad to read them off to you.

Q. When was the position of projects engineer, sir?

A. Promotion and rehire—that was in 11/4/40 and at that time he became projects engineer on this propeller deal, so Mr. Greene's statement is more nearly accurate than mine.

Q. And what was his next promotion after that?

A. On 10/1/42, he was promoted to administrative status.

Q. Will you tell me briefly what that means, sir?

A. Yes, as an administrative engineer—we do a lot of engineering work which requires a lot of paper administration and general supervision of that—straight administra-[fol. 284] tive work.

Q. What was his next promotion following that?

A. 8/18/43. It don't say from what to what on here but there's a promotion listed here—5/18/43.

Q. It doesn't show what he went up to?

1

A. No. 3

Q. And what was the next one following that, sir!

A: The next one was 1/1/46.

Q. What was that?

A. That does not state it. Wait a minute now, I'm looking at this myself. It is as interesting to me as it is to you. At 8/18/43, Bill was promoted to chief engineer of the propeller division and on 1/1/46, he was promoted to development engineer.

Q. This is a research laboratory, I believe, Mr. Wells?

A. Yes, development work.

Q.(1).....

A. You're certainly welcome, sir.

Counsel: Mr. Scanlon, may I just mark the letter and the card to which Mr. Wells—I'll mark it exhibit number 18 and offer it in evidence at this time. It consists of both the card and the letter from Mr. Winkler, personnel manager Engineering Research Corp.

Chairman: I will receive it as evidence but I'd like to have the witness hold it there for a moment, please. It may become—he may want to refresh his recollection from

it.

Q. Now, you've referred to Mr. Greene's efforts to get some business with the Russians, Mr. Wells. I wonder if you could give us more specific details on that—just who he was dealing with?

A. I don't know, frankly.

Q. Was Mr. Greene employed in a sales capacity at any time during the period he was dealing with the Russians?

As an engineer and in the absence of a formal sales department in our outfit, most of us do selling work. I do a lot of it myself, the chairman of the Board does, anybody who is qualified, shall we say, we'd send out on these sales. Since it was purely technical, it's normal for us to send an engineer to do a job.

Q. You have no idea with whom in the Russian Govern-

[fol. 285] ment, Mr. Greene was dealing?

A. No, I don't, except that I do recall something about somebody in the Embassy, I believe. I'm not even sure of that.

Q. Are you personally acquainted with the nature of the business you have done in the past with the Russian government?

A. I am.

Q. Were you familiar with the fact that all of your sales to the Russian government were made through the Amtorg

Corporation?

A. I don't think that's accurate unless Machino Import and Stanco Import are considered as part of the Amtorg Corporation. The paper work on practically everything that I can recall having done for them was handled through the Amtorg Trading Corporation. But there were two other corporations with which we did business, Stanco Import and Machino Import.

Q. Had you ever conducted any sales through contacts directly with the Russian Embassy, so far as you know?

A. No, not that I recall.

Q. Now, I would like to direct your attention to Mrs. Jean Hinton Greene, for a moment, Mr. Wells, you never met Mrs. Jean Greene at all?

A. I saw her once. I was introduced to her and had nothing to say but how do you do.

Q. During this period of Mr. Greene's marriage to Jean Greene, had any information come to your attention which might have raised a question in your mind concerning the loyalty of Mrs. Greene?

A. No.

· Q. You never, at any time, heard her referred to as a Communist or a pro-Communist?

A. No.

Q. Have you had any information come to your attention since the divorce?

A. Oh, yes.

Q. During the period of the marriage nothing ever came to your attention from any source?

A. No.

Q. During the period of World War II, Mr. Wells, was Mr. Greene cleared for classified (interruption)

A. I'm sure he was. I would have to look at the record on that but I'm certain he was.

Q. Was he, during that period, actually handling classified information?

A. Yes

[fol. 286] Mr. Scanlon: I have no further questions, sir.

Chairman: Capt. Singer?

Capt. Singer: Mr. Wells, I believe you testified that Mr. Greene came to you and informed you in regard to him contacting the agents of the Soviet government?

A. That's right. I don't know whether they were agents. If you mean, there was contact with some people representing the Russians, I don't know who they were exactly.

Q. I believe that point is not too necessary in relation to the next question. At that time did you consider that was

anything unusual about him?

A. No.

Q. It seemed like a perfect, normal performance of his duties to let you know that he was contacting agents or members of—attached to the Russian government or to their Trading Company?

A. I saw nothing unusual in that.

Capt. Singer: I have no further questions.

Chairman: Mr. Simms?
Mr. Simms: No questions.

Chairman: I have no questions.

Counsel: Mr. Wells, Mr. Scanlon has asked you something with reference to an engineer going out to sell goods for the company. Do you know if other than every employee's interest in seeing the company succeed as the general(?)........ did Mr. Greene have a personal interest in increasing the sales of the propeller division?

A. Oh, yes.

Q. In what way?

A. Well, we then operated under a system where the department heads of the various sections in the departments of the company got a bonus at the end of the year on the sales in his particular division.

Q. So that Mr. Greene, at this period, would have an expectation of a bonus, an increase in bonus if he could increase the sales of his department which was then the

propeller department, is that correct?

Counsel: I think that's all I have.

Chairman: I have just one question that just occurred to [fol. 287] me. I don't think it was asked of you, Mr. Wells. What degree of clearance did you have during the years that Mr. Greene was employed at your plant. You, yourself, what degree, what clearance did you, yourself, have?

A. I believe "top secret".

Q. I see. Do you have any clearance today?

A. Yes, I'm cleared for "top secret".

Q. Still cleared for "top secret"?

A. Yes.

Chairman: Any questions? Counsel: No further questions.

Chairman: At this time, Mr. Berueffy, we'll received in evidence the documents which you have over there. What numbers are they again?

Counsel: They're both marked 18 and they should be clipped together but one thing I didn't bring in my suit-

case is a stapler.

Chairman: Exhibit "18" received in evidence. You are now continuing with Mr. Greene?

Counsel: Yes, sir.

TESTIMONY OF WILLIAM LEWIS GREENE (Resumed)

Chairman: Mr. Greene, I wish to remind you, you are still under oath.

Mr. Greene: That is right.

Counsel: I think before Mr. Wells came in, my last question which was unanswered was: tell the Board how you made your original contact with the Soviet Embassy?

Mr. Greene: I had, working under me, a man whose name was Henry Hochfeld. At that time I had mentioned publicly (previously), we had a group of engineers sitting together who were under me, I mentioned that I wondered what the chances were of selling propellers or the know-how to the Russians and how would be a good way of going about making their contact. Now, in selling services of this type—technical particularly to a country abroad whether it's

Chinese Nationalist or the Soviet Union, you have to create a desire for the item and then their purchasing agency then takes over but the purchasing agency doesn't initiate anything, to the best of my knowledge. What [fol. 288] usually happens, through channels, the desire has been created and then the agency goes through the mechanics of making the purchase. If you were to create a desire for someone to buy Schwartz propeller technique, you would have to approach the technical end. And dealing with foreign governments, I found that it was usually the military attache or the air attache-in the case of aircraft, who would initiate the desire. He would write home a report saying, this looks interesting and then it would go through all sorts of channels. I just want to explain that procedure so you would understand the logic of the next step. Well, this Mr. Hochfeld said that he knew someone who he thought could arrange for an introduction to the Russian people who would be interested in that type of service. I didn't know why or how he could and I wasn't too much interested. I was just interested in making this contact in order to develop it.

Q. Before you go on, let me ask you was this general method of getting in touch with the military or air attache with respect to the Russians, how did that compare with the technique you used with respect to the Chinese?

A. Well, I believe with the Chinese, in their case, they made the first contact because it was a little different. There, an American who was working for the Chinese knew about the propellers and mentioned it to them and then their Embassy staff contacted us. And then I was given the job of following it up, and I did. In the case of the Russians it was harder to begin. We had no contact such as an American working with them to initiate it and the product we were trying to sell was a much more difficult product to sell because its value was more questionable. I would say this that since that time and before that time I have been contacted personally by military attaches of various foreign governments in connection with purchasing—well, finding out information about products we manufacture so that they could report on it and then turn it over to the normal pur-

chasing channels. I can cite several cases in point: The Portuguese government. I was contacted first by the Air Attache and then after that contact was made I went to see them and in this case it was at a consul in New York City. The British and the Canadians, in the case of the [fol. 289] Canadians and British both through channels. Their Air Attache contacted our company and was referred to me in connection with these flight simulators. In those cases, they come down through the regular channels and reach me. But the primary contract, where the government wants to get technical data, they entrust their Air Attache if it's an aircraft product, then later it gets in other hands. So I say, it's perfectly normal in the case of the Russians, we had to initiate it.

Q. So you did, through Hochfeld, initiate a contact with the Soviet Embassy. Tell us specifically and give us the names, what did you ultimately find that method of contact to be?

A. Well, Henry Hochfeld, as I understood it, this is what I've been told when I questioned his being hired—I didn't hire, Mr. Fred White did. He told me that this was his background—that Henry Hochfeld was a Czech refugee who fled Czechoslovakia when the Germans came in. Prior to that, he was a Russian refugee who had fought—this is a story I got, I can't vouch for it, that he had fought for the Czechs against the Reds during the Russian Revolution and as a result of that was given citizenship in Czechoslovakia. While in Czechoslovakia, he went to work, he was an engineer, he worked in their propeller factory there. I believe, at that time, he learned of our aircraft propeller carving machine which ERCO manufactured. We manufactured the machine that could carve out propeller blades. Meanwhile, when he fled from Czechoslovakia, he went to France, got a job in a French propeller factory. While there, he contacted our company about buying some of these machines and when he was finally forced to flee from France. when the Germans came into France, he worked his way to the United States somehow or other and then knowing about our company through his contacts in purchasing this equipment, he applied for a job there and was hired. Now, that's his background. But as a result of his being in the

Czechoslovakian aircraft industry, he knew a Col. Alexander Hess who was the Air Attache of the Czech Embassy at that time. And it was through him, he arranged an introduction to Col. Berezin who was Air Attache of the Russians.

Q. How many times did you meet Col. Alexander Hess?

A. I met Col. Alexander Hess in 1942 at a supper at the [fol. 290] (L'Escargot) Restaurant at which supper he introduced me to Col. Berezin. That was the only time I've

ever met him socially or otherwise.

Q. I would like to say that in connection with the characterization and the charges of Col. Hess as a Red Intelligence Agent, I caused an investigation to be made of him which I have marked exhibit number "19". It consists of the report and the covering letter from the man who made the investigation and it, in general, shows that Col. Hess was cashiered out of the Czechoslovakian army when the Communists took over in Czechoslovakia. That he is now in this country, that he is employed by Pan-American Air Lines and I would like to submit this report as part of the record.

Chairman: Would you like to offer that as an exhibit?

Counsel: Yes, sir.

Chairman: We'll mark it exhibit "19". I see it's so

marked already.

Counsel: Now, Mr. Greene, I'm going to show you a sheet of paper—well, first I would ask you—the first Russian you met was Col. Berezin!

Mr. Greene: That is correct.

Q. How many times did you see Col. Berezin?

A. I believe he came to my home for dinner once. I saw him, I think at two army—Red Army cocktail parties at his office, of the Military Attache. I believe I saw him one other time at his office in the Military Attache and it is possible that he came to my house for dinner twice. I'm not sure of that point whether it was once or twice but I would state it. I would say it was a total of about five times.

Q. Why did you invite Col. Berezin to your house?

A. Well, it's a problem to entertain someone who doesn't speak the language too well. Now, Col. Berezin spoke fair English but his wife didn't speak any at all that I could

tell or very little. And in order to establish the fact that you're really interested in selling them something, like a propeller that had questionable value, you would have to talk to them and get to know them somewhat before they [fol. 291] will listen to you. And it seemed like a logical thing to do. I've done it with other sales contacts before that and since then—invite them to the house since it did away with the necessity of going to some public place where you'd have language difficulty and other problems like that. Plus the fact, that generally speaking, I wouldn't say this to Berezin or Asseev, but both of them were very awkward and difficult to entertain publicly. And I also felt that they didn't want to do that. If their wives were along, they just clammed up and didn't talk and it was a very miserable time for everybody.

Q. Now, did you meet Asseev?

A. Yes. When Col. Berezin was leaving his post as Air Attache, he introduced me to Major Asseev.

Counsel: ASSEEV.

Mr. Greene: I was introduced to him at a public cocktail party at the Red Army Air Attache's office. And that was the last I saw of Berezin although I saw his picture in the newspaper subsequent to that in some other job and I had no further contact with him. Let me say the only contact I had in every case was with the Air Attache except where as a matter of protocol, they introduced me to his superior

at a public function.

Counsel: I'd like to tell you that I have here a list which I obtained from the file called Department, of the State Department, it is naturally, an unofficial list but to the best of my information is accurate. I'd like to show it because, at least, it shows the way the State Department spells these and it gives the date when each one came to the country and in some cases it gives the dates when they left and I might tell you it was made from the diplomatic identity cards which the State Department maintains. I think it really will be helpful if you should follow this.

Chairman: Offered and received as exhibit number "20". Mr. Greene: I'd like to add one thing, that in connection with my activities with these people, I maintained a much closer liaison, relatively speaking with Mr. Berliner who is

the Chairman of Board of the company than I did with Mr. [fol. 292] Wells. For example, when they came out to the plant, they didn't go into the plant, but when they came out to the plant, Mr. Berliner took them for lunch with me. And the reason for this contact being closer with Mr. Berliner was that up to that time, he had initiated the sales of our equipment to the Russians and I felt that he was the salesman of the company, not Mr. Wells. He had made extensive trips all over the world selling our equipment and I felt that if anybody should talk to these people, it should be Mr. Berliner. The result of that, when I thought we had a chance of doing some business, I invited them out, Mr. Berliner took them to lunch at the Shoreham and then took them out to the plant in his car and took them for a ride in the Ercoupe. I just want to add that point there.

Counsel: Could you state how many times you enter-

tained Asseev in your house?

A. I believe I entertained Asseev at my house twice.

Q. Did you also see him at his office?

A. The only other times, other than at my home that I saw him was at his office but one affair where he introduced me to his successor. I saw him at an official cocktail party celebrating the birthday of the Red Army.

Q. Now, did you meet Saraev?

A. Yes, I met Saraev who was Major Asseev's superior. I believe he was the Military Attache during this period. And I felt that he was at a higher level than I was working and had very little to do with him except in a formal way—that any contact I had with the Air Attache when Saraev wasn't around, he would sort of be number one man and the Air Attache would refer to him—in seating or talking and starting conversations.

Q. Did you entertain Saraev in your house?

A. No, I did not and to the best of my knowledge Saraev was never in my home. Let me add again that he was not the level that I was working with in trying to sell equipment.

Q. Now, did you meet Col. Golkovsky?

A. Yes, I did. Col. Golkovsky was Major Asseev's successor and Major Asseev introduced me to Major Golkovsky at the time I met him. I believe later he was promoted.

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Q. Did you entertain Golkovsky in your house? [fol. 293] A. I believe he was entertained in my home one time. With the accent of Golkovsky who spoke very poor English, it became more and more difficult to think that we would succeed. Plus another fact, was the fact that was coming in—the war was drawing to a close and I felt that if the sale of our services would become more and more difficult. However, at that point, I proposed another undertaking for Mr. Berliner, in that, I proposed that perhaps with the war closing, we could interest the Soviets in the Ercoupe. The Ercoupe was a little two-place private airplane, it was not a military airplane, which we had built before the war and we were about to start in and Mr. Berliner felt that it was a good possibility that if we could interest them that their buying the design of the Ercoupe would pay for our company tooling up to get into production which was a very real problem we were faced with. We had large commitments that we were pretty certain of and the financing of the tooling up was to be a problem. Mr. Berliner thought that that was a good possibility and that was the reason for maintaining the contact after the end of the war.

Mr. Berueffy: Was Golkovsky your last contact with the Russians?

Mr. Greene: That is right,

Q. Can you just tell the Board when you finally started to have no more contacts?

A. Well the last affair I attended was the birthday celebration they hold or held, I don't know whether they still hold them, they did hold at the Russian Embassy which is quite a lavish affair. And the last one I went to was in November of 1946 and that affair Golkovsky was exceedingly distant. I said hello to him, he said hello and would not talk any further to me obviously didn't care to and at that point I could see that this contact had gone bad and that it would not, it didn't look possible that we could sell the Ercoupe design to the Russians at that time and I so reported to my employer.

Q. Now I've covered this entire list with the exception of Major Constantine I. Ovchinnikov. Do you remember

him at all?

A. I have absolutely no recollection of that name and it's [fol. 294] possible I may have met him but I have a clear picture of each of the other names that are mentioned and I have no picture of who this man is that's represented by that name. I just don't recollect ever having anything to do with him. Now, it's possible that at one of these functions I was introduced to him and I don't remember it. I have no reason for saying I don't know him, if I did know him, I just don't remember him.

Q. The list, the State Department information indicates that he came in 1940. Is there any doubt in your mind that

Berezin was the first man you saw?

A. No. Berezin was the first contact I made with the Russians in connection with this sales effort on my part.

Q. How did the Russians entertain you?

A. Yes, I was entertained by the Russians much more lavishly, I would say, than I entertained them. I only invited them in return for entertainment on their part. I only invited them-I only entertained them on my part in return for entertainment on their part. It was a basic something that I reciprocated. Of course the Embassy feasts were big. big affairs. The cocktail parties at the military attache's office were not as big as the Embassy affairs although I would say there were usually several hundred people there. And then in addition to that there was one exceedingly lavish dinner which I attended and I felt I was attending as a representative of the largest industrial corporation in the area. I was there with representatives from other companies of comparable size. One company in particular, Marmon Harrington was about the same size as our company and the number of personnel, I guess they all were pretty much the same. But this affair was so typical of the situation that it never occurred to me until the cold wardcame on that there was any way of misconstruing what the contacts were.

Q. Now, calling your attention to this dinner party given by the Military Attache, were you the only industrialist present?

A. No, this is good because it will point out what I said before about how you entertain these people. Present at that dinner was Jack Frye, the president of TWO (TWA) and

his wife. My wife was not along, incidentaly, she was up in Vermont./I went by myself. Major Harrington, I believe [fol. 295] the president of Marmon Harrington, four wheel drive truck manufacturers, was there. I believe with his wife. There was a man with a French name from one of the large rubber companies either U.S. or General who was vice-president in charge of overseas sales, as I remember his card which he gave me at the party. In addition to that there was an Army General who had been Military Attache, U. S. Army General, who had been Military Attache in Russia at sometime and I don't remember his name. At this party the relationship was very much the same as it always had been. It appeared that the-this party was given by the Military Attache, General Saraev, at his office, combined office and home on Tilden Street. At this dinner there was lots of drinking and lots of eating and dancing and I would say, it was definitely—the Americans there were all comparing notes on how they stood with chances of selling to the Russians. I remember very specifically Jack Frye saying to me in a mellow moment, asked me how I was getting along I felt rather flattered because I was relatively young compared to Jack Frye in authority. I said, "nothing definite". He said, "well, I'm going to all extremes, I've even rented a place with a swimming pool because General Saraev likes to swim." Now, I never entertained quite that lavishly in point of having a swimming pool to entertain them, and I think Frye was operating at the level of General Saraev as compared. I was operating under the Air Attache. But that was typical of the relationship existing at that time.

Q. You went also to the Red receptions in commemoration of the revolution, is that correct?

A. That's right.

Q. What years did you go, Mr. Greene?

A. I believe I went in '43, '44, '45 and I'm sure the last one was in '46.

Q. I might say to the Board that I have photostatic copies supplied me by the Library of Congress of contemporary newspapers which describe these parties. Also show, in some instances, guests who were important enough to be reported in such affairs. The first of these papers, all of them have been marked Exhibit 21, the first is from "The Washington Post" of Monday, November 8, 1943, page 1 and [fol. 296] 2b of that same paper, I have marked it in the center of the page at the bottom, the story which is headed "Guests Throng Soviet Embassy On Revolution Anniversary", and page 2b, columns 7 and 8, I think the newspaper may have a column of 7 and 8, although they appear to be 1 and 2. Anyway the heading is "Soviet Embassy Feat Marks Red Anniversary", and the Washington Post of November 3rd of page 5b, the upper left hand corner, under the hearing "Hope Ridings Miller" says "Soviet Embassy Party to celebrate 'Great October Revolution'; Promises to Be Biggest Fete of November". Then there is "The Evening Star", (no this is "The Washington Post", Deg your pardon) "Washington Post" for Thursday, November 9, 1944, page 5b in the upper left-hand corner, "More Than 2000 Guests Gathered at Soviet Embassy to Celebrate Revolution." "The Washington Post" for Thursday, November 8, 1945, page 2b, the article in column, I'll call it column 2, headed "Russians Commemorate Revolution at Lavish Fete", and the final one is, "The Evening Star", for November 8, 1946, this is page B-3 in the upper left-hand corner. "Foreign Minister Molotov Steals Show at Celebration." All of the articles have been marked with my black pencil to kind of parties they were that Mr. Greene attended. Those are contemporary newspaper accounts. That would be Exhibit 21.

Chairman: Received as Exhibit 21.

Q. Did your wife, your former wife, Jean Hinton, have anything to do with any of these contacts with the Russian Government?

A. The contacts with the Russian government that I have described had absolutely nothing to do with my wife, Jean Hinton, other than the fact that she was present at our home when they were there for dinner, and that she went with me to several of the affairs that I described earlier. She did not originate the contacts in any way.

Q. Mr. Greene, are you now or have you ever been a member or a sympathizer with the Communist Party?

A. I have not, I am not.

Q. Having particular reference to the Communist Party. tell the Board and please do make it brief, what your at-

[fol. 297] titude towards the Communist Party is?

A. I believe it is an illegal conspiracy which is trying to overthrow the Government by forceful means in order to achieve the ownership of everything by the Government and therefore it's illegal. Do you want me to expand that?

Q. Have you any loyalty of any kind in any Government other than that of the United States?

A. I have not.

Q. Do you believe in the violent overthrow of the Government for any purpose?

A. I am opposed to it completely.

Q. Well that's all of my questions for Mr. Greene.

Chairman: We'll take a five-minute recess and then we'll have some cross-examination I imagine.

(Mechanical difficulties for a brief period) /Omission/

Chairman: It gives the opportunity to properly reason and analyze them before conducting a cross-examination of Mr. Greene. So it's agreed that such a cross-examination will be reserved until tomorrow. In the meantime, counsel will continue with other witnesses on behalf of Mr. Greene. is that correct?

Counsel: Yes, sir.

(Next witness introduced)

TESTIMONY OF GORDON S. LIGHT

Chairman: Mr. Light will you raise your right hand please. Do you solemnly swear that the testimony you are about to give in the case now in hearing shall be the truth. the whole truth and nothing but the truth so help you God.

Mr. Light: I so swear. Chairman: Will you be seated please and state your name and address for the record.

Mr. Light: Gordon S. Light, 87-33 Susanna Lane, Chevy Chase, Maryland.

Counsel: Where are you employed Mr. Light?

A. Engineering and Research Corp., Riverdale, Maryland.

Q. What is your position there?

A. Sales engineer.

Q. When did you first go to work for Engineering & Research?

A. October 1946.

[fol. 298] Q. And before that where had you been em-

ployed?

Q. How long were you on active duty with the United

States Navy?

A. Approximately three years.

Q. Where did you first know William Lewis Greene?

A. New York University, College of Engineering, approximately 1934—undergraduate courses.

Q. You went through N. Y. University at the same time

Mr. Greene did?

A. Yes. We were classmates—graduated the same year.

Q. Do you have any recollection of Mr. Greene's activi-

ties when he was in college?

Q. At that time, did Mr. Greene have any interest in

political issues?

A. I would say not—about the average, certainly, as I based it. No interest over and above what I would normally, what I did have.

Q. Do you recall anything at all significant of his view-

A. Well, there was one definitely. One point there that would indicate it ROTC, for example, was a compulsory course for all under-graduates and I did not, I took two years of ROTC as compulsory. I did not take the elective which was the remaining, junior and senior year which was an elective. Mr. Greene took that course.

Q. Why do you think this would have significance?

A. Well, I think at the time New York University, City College and Columbia, to mention three of the metropolitan colleges, were very, very active in, I believe what was the National Student Union Anti-war pledges were, anti-[fol. 299] arm or pacifist, I forget what it's called exactly, pledges were being circulated. There were peace rallies, considerable agitation on the campus, meetings in the chapel and so forth and that was a rather powerful movement at the time when I was an under-graduate.

Q. When you went to work for Dwight (Glenn) L. Martin

Company, that's in Baltimore?

A. Yes, sir.

Q. Did you see Mr. Greene or hear from him in that

period?

A. Yes, we had professional as well as friendly contacts—personal contacts during that time because Engineering and Research Corporation was doing work for Glen (Glenn) L. Martin. Mr. Greene's trips to Baltimore, we would generally follow up with a personal visit or at least call me or bring me up to date on what the latest state of the art was, etc., general professional chit-chat—also personal meeting.

Q. While you were in the Navy, where were you assigned?

A. Two duties. First, Pratt-Whitney Engine School; Army, Navy Marine Training School and Pratt-Whitney in Hartford; then assigned to assembly and repair work U. S. Naval Air Station, Brunswick, Maine.

Q. Did you have any contacts with Mr. Greene at this

period?

A. The last contact was in '43, I believe, waiting active duty, Mr. Greene sent me a letter asking if 1'd come to work at Engineering and Research Corporation?

Q. And you then, of course, you said you were in the

Navy (interruption)

A. I had, already, I was awaiting active duty and the orders arrived very shortly thereafter.

Q. In 1946, you returned from Washington and became

employed by ERCO, is that right?

A. Yes, sir, October '46.

Q. And in that period you became acquainted with or you reestablished your acquaintanceship with Mr. Greene?

A. Well, I had done that before because I was currently working at Wright-Aeronautical after the war and the contract began to look, in fact, the contracts were folding and West Coast employment wasn't too promising and my return to Erco was triggered entirely by writing to Mr. Greene telling him I was available and he, in turn, followed [fol. 300] up with an offer and I came East on the strength of that offering and went directly to Engineering & Research where I started to work in October.

Q. Did you ever meet Jean Hinton Greene?

A. Yes, I did.

Q. Tell the Board the nature of your acquaintance with

her. How many times you saw her?

A. Well, in particular, Mr. Greene invited my wife and myself to dinner. We went down to their house, in the evening—appropriately visited before dinner and had dinner and spent the next couple hours generally talking, chatting and sort of "folksy" visiting, if I may use that expression. Then, these dates I don't know exactly—of this. The next one was—we returned the visit, we were currently living in Maryland at the time Mr. and Mrs. Greene came out, in particular, I remember we had lobster. We again spent the evening visiting, talking, etc. Of the third occasion, we had arranged for a hike or an outing or something along 'Old Canal which we had started to do and Mrs. Greene's friend suddenly became ill and she dashed off in sort of a hurry, so that was a rather short interrupted visit. That's about the extent of it.

Q. You saw her a couple of times where you had a reasonably long chance to talk about, as you say "folksy" conversation?

A. Yes, completely relaxed and generally, added to it was the fact that once you've had a full dinner and a nominal bit of wine or something, you generally sort of settle.

down in a lot more relaxed atmosphere than if it had been touch and go.

Q. Was there any discussion of, what I choose to call

political or social issues?

A. I assume that there were but the issues that I would refer to or that I'm referring to right here are no more than the current or headline comments that went with, say like triggering, looking at "The Evening Star" and maybe pointing toward it and saying, "Well, I wonder what's going to happen there." It was just about at that depth. I have personally no memory or no recollection of anything that was discussed to any great extent or to any greater depth or even a longwinded treatise or discourse.

Q. The few occasions on which you saw Jean Hinton [fol. 301] would then give you no basis for forming an

opinion as to her political viewpoint?

A. I am unqualified. I would say, no.

Q. Now, have you had an opportunity to form a point of view or an opinion with reference to Mr. Greene's politi-

cal viewpoint?

A. Well, very definitely because of the extended period I've known him and under the varying conditions and the fact that since about 1934, 1935 I have seen no discontinuity introduced into it, so my opinion is rather solid in that respect.

Q. And what is your opinion?

A. Well, without any reservation at all, I think that he and I have very close political philosophies. I have no reason to doubt his personal or any issue at heart of abso-

lute complete faith, etc., without reservation.

Q. Now, Mr. Light, I have informed you that this hearing has to do with the issue of Mr. Greene's security, in reference to loyalty and his one-time associations, etc. Could you give us an opinion on the precise issue of whether you think Mr. Greene is now or any time that you have known him, was a Communist or a Communist sympathizer?

A. My opinion is that he was definitely neither, never

has been.

Q. Now, are you familiar with his reputation among his professional colleagues in and out of Engineering and Research Corporation?

A. Yes, I am.

Q. Have you heard him talked about?

A. Not in any respect other than professionally or in any other than being a very straight-forward and practical straight-shooting engineer entirely in probably the best places.

Q. If Mr. Greene had demonstrated any erratic or leftwing tendencies, in your opinion, wouldn't that fact have

been noted among his colleagues?

A. Well, actually the engineering profession and certainly the aeronautical profession during the last ten or fifteen years has been fairly close-knit and it is my opinion that this would have been noticed because there's a rather free exchange of personnel, there's professional contacts and it's very easy to follow a man's progress by merely talking to some of the people that you know in common [fol. 302] and this feed-back or the remarks that would emanate from mutual friends, I think would have shown up things. And certainly, I have not noticed any such feedback or any such remarks coming from our mutual friends, professional friends.

Q. Now, Mr. Light, you're acquainted with Mrs. Dorothy

Greene?

A. Yes, sir.

Q. And do you recall when Mr. and Mrs. Greene were married, approximately?

A. Yes.

Q. Have you visited in their home since this marriage?

A. Yes, quite frequently and under extended visits, casual visits, planned visits, etd., quite extensively and we visited back and forth.

Q. Well, since then you've been reasonably well acquainted with the Greene family?

A. Yes, sir, very well.

Q. Have you visited in his house either when he lived in Kings (Paint) Branch or after he moved out to Annapolis?

A. We've not visited in Annapolis but in Kings (Paint) Branch in Tacoma (Takoma) Park. We visited back and forth quite à lot geographically and the custom lead itself to casual visits especially with children, etc. that make planned visits many times difficult.

Q. In those visits did you see other people who were

friends and acquaintances of the Greene family?

Q. On any of those visits did you ever notice the kind

of reading material that there was in their house?

A. I never noticed in detail as in point but the, obviously when you visit casually like that, why when somebody races off to fix a drink or Mrs. Greene might go out to take care of the kid who was falling out of the window or [fol. 303] something like that, why you do sort of pick magazines, like "Architectural Forum" or "Time" or go out and browse around the bookshelves to see what book that you might like to borrow. I think I'm pretty well familiar with what literature, etc. was there from time to time.

Q. Did you ever see anything there that struck you as being of left-wing or radical in character?

A. Oh, no, no I did not, absolutely I didn't.

Chairman: Mr. Scanlon, do you wish to inquire?
Mr. Scanlon: Now, Mr. Light, you have known Mr.
Greene since about 1934?

A. Yes, sir.

Q. You and Mr. Greene are close personal friends?

A. Yes, sir.

Q. You owe your original employment with the Engineering & Research Co. to Mr. Greene?

A. I owe it to him?

Q. Yes, sir.

A. Well, I do inasmuch as previous employments I've had elsewhere have generally been through professional friends that I've known. I would say that this was the connection there, the professional connection, but stronger

than the personal connection because I don't like to introduce that personal connection because I don't like to introduce that personal connection into business.

Q. Well, you did write to Mr. Greene in 1946 and asked

him for a job?

A. Yes, sir.

Q. He gave you a job?

A. Yes, sir, right.

Q. Now I will direct your attention specifically to the period 1942 to 1947. Mr. Light, how close was your contact

with Mr. Greene during that period?

A. It was fragmentary, it wasn't direct except, it was by way of mutual friends in the aircraft industry. But from '43 to '46 when I was in the U.S. Navy I didn't have direct contact with Mr. Greene.

Q. You had no contact with him directly between '43 and

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A. Yes, sir, that's right.

Q. When did you first meet his wife, Jean Hinton Greene?

A. I would guess it would be about November '46, very [fol. 304] shortly after I came to ERCO—Engineering & Research Corp.

Q. And during the succeeding few months, when Mr. Greene and his wife maintained a home together, you have

only a total of about four contacts with her?

A. Yes, sir.

Q. And you never, at any time, had any reason to suspect or doubt her loyalty to the United States as a result of any of these contacts?

A. I did not.

Q. Have you had any reason since that time to doubt her loyalty to the United States?

A. I have only the reasons that have been appropriately

compiled and of which I know about, since that time.

Q. You visited in Mr. Greene's home on two occasions during the period of his marriage to Jean Greene?

A. Yes, sir.

Q. Did you have occasion on either one of those visits to examine his library, look at any reading material?

A. I did in the front room where etc. we were-

Q. Did you find any literature lying about?

A. I did not, if I, I don't remember.

Q. His home so far as you're concerned was just as free of Communist literature at that date as it was during the period of his second marriage?

A. Yes, sir.

Q. You've also stated Mr. Light that your belief that had Mr. Greene been in any way pro-Communist or pro-Soviet that such information would have gotten around through professional circles and you would have heard about it in one of another?

A. That's my opinion.

Q. Do you believe, that that is a usual thing for a man who is a Communist or pro-Communist to permit such a reputation to get known in professional circles?

A. I obviously, I guess it wouldn't be.

Q. Specifically directing your attention to the case of Julius Rosenberg, do you feel that his reputation as a Communist was known in professional circles?

A. Well, I didn't travel in that area. I don't know people in that business, I don't associate with them, in that particular clan, so I don't think I have an opinion on it.

Q. Don't you feel though that a man who is a Communist [fol. 305] and that his livelihood depends upon a profession like engineering would normally strive to keep such a pro-Communist attitude quiet and not let it become known in professional circles?

A. This seems logical.

- Q. Has Mr. Greene discussed with you at any time during recent years, the period of his life with Mrs. Jean Greene?
- A. Oh fragmentary comments on the, I don't recall any particular run-down any more than probably I would never discuss my personal life with anyone of my friends except the day to day operation—surface operation.

Q. He hasn't discussed with you the trouble that he had

about his separation and divorce?

A. Yes, he has discussed that.

Q. What has he told you concerning that, Mr. Light?

A. Well, lack of mutual interest and the general drifting apart and the emotional conflicts that stem from that type of—that general—

Q. Did he give reason to believe that a difference of viewpoints might have had something to do with it?

A. This was not specifically. This disagreement etc., was part of the general pattern—didn't hinge on anything in particular or in any detail or on any one thing.

Q. You mean it was more, one of two temperaments that couldn't get along together, is that what you mean?

A. Well, not knowing the full picture on a problem such as that and hearing only relatively few parts of it, I would definitely not like to prejudge it.

Q. Have you see this letter of April 9, 1954 that was sent to Mr. Berueffy detailing the information that's contained

in Mr. Greene's file?

A. Yes, I have seen it.

Q. Are you familiar from looking at the letter, I mean, are you familiar with these names in here, such as, Silvermaster, Sasuly, Ullman, Popper, etc.?

A. I have only, as in headlines etc.

Q. Have you ever met any of these people, Mr. Light?

A. I have not.

Q. And never heard Mr. Greene mention any of these people?

A. No, I have not.

Q. You never heard him mention any of them?

A. No, I have not.

[fol. 306] Q. Do you know anything at all about the nature of his contacts with them?

A. No, I do not.

Q. Did you have reasons to have any personal knowledge of Mr. Greene's contacts with various officials of the Soviet Embassy?

A. I don't know about that, I have no information.

Q. He's never told you anything about it either, is that correct?

A. That's right.

Q. Has there ever been a period during your contacts with Mr. Greene when he gave you the impression that it might have been sympathetic towards the Soviet viewpoint in international affairs?

A. Well, that's a rather broad question actually.

Q. It is, yes, sir. I meant for it to be broad at this time.

A. Yes, because obviously the answer to that is, yes. The answer to that question on a personal basis for me, would be, yes.

Q. Could you answer more specifically now and tell me in what ways you got the idea that he might have been

sympathetic towards the Soviet viewpoint?

A. Well, on some controversial item maybe as it concerned a—I don't know. I guess maybe it's best that one person or one viewpoint is not a hundred per cent correct all the time and since my training and my background is engineering, obviously there are occasions that nothing is a hundred per cent and there are exceptions. This is what I'm trying to say, that a question of such a broad nature I feel obviously has some minor exceptions.

Q. You have stated that you have on occasion felt that Mr. Greene has had some sympathy for a particular Soviet viewpoint. Now, I'm asking you to specify on what par-

ticular occasions did he give you that view?

A. I can't specify such occasions.

Q. You don't recall what particular events were con-

A. No, it was not of earth-shaking importance, in fact, it wasn't of any significance in mind any more than any other discussion on day to day events in which someone would say this is maybe so, or maybe this is not so. It wasn't anything that persisted or of anything that I would remember in detail.

[fol. 307] Q. Has Mr. Greene ever given you reason to believe that he might be apposed to our capitalistic system

of Government in this country?

A. No, sir, he has not.

Q. Has he ever given you any reason to believe that he felt that our system was a system that exploited the

poor for the benefit of the rich?

A. No, quite to the contrary. In spite of our minor variations in political philosophy whether it concerned Democrat or Republican there was complete unity in our discussions as to the general enthusiasm for the Capitalistic System.

Q. Do you know anything about Mr. Greene's connection with the Metropolitan Broadcasting Corporation?

A. I know he had invested some money in it.

Q. Do you recall about when he made that investment?

A. I don't know when it was made but when it was discussed would be '46, October or so in '46 or shortly thereafter.

Q. He already had his money in it at that time?

A. I can't say for sure but it would be in the following several months when he would keep me posted as to the general financial returns he expected on it, etc., since, I too he (?) was interested in investments, etc.

Q. Did he ever discuss with you the ideas that were

behind the sponsoring of the radio station WQQW!

A. No, sir, until I read that letter, I believe it's the April 19th letter. I was unaware of this too.

Q. You say that you were interested in, you were interested yourself in investing money in WQQW?

A. No, in the general problems of investment.

Q. Not specifically in this Broadcasting Corporation or the radio station?

A. No, I was not interested in that in particular, just general field of random investment.

Q. Did you ever, insofar, as you can recall, listen to any of the programs over radio station WQQW?

A. I might have but I don't recall it. It doesn't ring a bell.

Q. What seemed to be the nature of the relationship between Mr. Greene and Mrs. Jean Greene on the occasion [fol. 308] of your visits in their home and their visits in your home, was it a warm cordial relationship that you would expect between a husband and wife or did there appear to be estrangement there!

A. Well, that's a question that, again an opinion of shading. I didn't notice any estrangement or—but again it's an opinion when you're visiting, you ofttimes act very much different from when you are not visiting with people.

Q. When was the first time you got an inkling that all was not well between Mr. Greene and his wife Jean?

A. I believe it was in the middle or mid '47.

Q. Was that after Jean left Mr. Greene?.

A. Yes, as far as I remember it was.

Q. Up until the time of the actual physical separation you had no inkling that there was anything between the two, is that correct?

A. That is correct. Again that is tempered by degrees,

sir.

Q. Would you like to expand on that?

A. I'd like to explain only inasmuch as that it's sometimes very difficult to break down shadings when people make comments as to the depth or the seriousness of—it's generally one's personal life, I don't think revealing in enough detail to form an opinion on the part of an outsider.

Q. It is not unusual for close personal friends of many years standing to discuss such differences, is it?

A. Well, this might well be.

Q. Anyway, Mr. Greene had no such discussions with you?

A. Quite true.

Q. Have you noticed any change whatsoever in Mr. Greene's prior to the summer of '47 and what they have become since the summer of '47?

A. I've noticed no change, no discontinuity.

Q. Mr. Greene never indicated to you, during the period of his marriage to Jean Greene that he'd been reading any Communist or radical literature?

A. If he has and if he commented to me, I don't remem-

ber it.

Q. Do you know anything about Mr. Greene's activities

as a consultant on various engineering jobs?

A. Not in any detail. I know some of the problems [fol. 309] which he would talk about, what the general nature of it was, the prefab house, I believe, the business side of it, the extent of it and so forth, I know only hazy.

Q. Were you aware at the time of its existence that Mr. Greene was in partnership in an engineering consult-

ing firm?

A. Yes.

Q. Did you know who his partner was?

A. I did not.

Q. Did you know what project he was working on?

A. I knew that it was—my memory of it is a prefab house operation.

Q. You have no further knowledge of it other than that?

A. Only some of the technical details and where maybe a sample house was planned for, I believe, the greater Washington area somewhere in Virginia.

Q. Do you remember meeting any of the people with

whom Mr. Greene was doing business at that time?

A. No, sir.

Q. Were you aware at the time that it took place, that Mr. Greene was being used on consulting work by Mr. Lauchlin Currie?

A. I was not.

Q. Were you aware that Mr. Greene was endeavoring to secure consulting jobs at the Yugoslav government around 1946 or 1947?

A. No, I was not aware of this.

Q. Then you actually didn't know very much about what Mr. Greene was doing during that period outside of engineering & research corporation, did you Mr. Light?

A. Well, I feel as I though I knew something, I guess, obviously, in view of your last question. There were other phases.

Q. I have no further questions, Mr. Chairman.

Chairman: Captain Singer?

Captain Singer: I have no questions.

Mr. Simms: No questions.

Chairman: This is Mr. Waldman. Mr. Light, I'd like to direct your attention to the—I think you said two visits that you made to the home of the Greenes' when Mr. Greene was married to Jean Greene.

Mr. Light: Yes, sir, and one to our home.

[fol. 310] Q. And one visit that they made to your home. Specifically the visits that you made to their home, do you remember whether those visits were made to their home in Takoma Park?

A. No, I believe it was on Harvard Street in the District of Columbia.

Q. That would be on Harvard Street near Rock Creek

A. Yes, sir, wherever their house was during that time, it was in the District.

Q. In any event, it wasn't Takoma Park?

A. No, sir, definitely not.

Q. Specifically at the times that you visited their home which was two in number, I believe, did you go there for dinner for the evening meal?

A. I went there for dinner and one occasion went there just prior to going out on a sort of a picnic and hike deal.

Q. With relation to the time that you went there for dinner, your hostess was Jean Greene? At that dinner was there anything unusual you would say about the way she was dressed for the dinner occasion?

A. She was dressed casually I'd say.

Q. You know that usually at dinner people dress different than they do, for argument's sake, if they were going on a hike.

A. Oh, yes, that's quite true.

Q. Would you say that she was dressed for dinner?

A. This was dressed casually for dinner, flowing skirt and low shoes and a blouse, very acceptable.

Q. Nothing unusual about it, her dress?

A. No. sir.

Q. Now with reference to the home at Harvard Street near Rock Creek Park, did you go through the rooms which were occupied by the Greenes on the occasion of having this dinner! I mean, did you stay in one room or did you have occasion to go through the apartment. I assume there was more than one room.

A. Oh, yes, sir, we went through the entire first floor and as I remember went upstairs and down—in fact went through the house to see it. Slightly unusual, as I remember, was a rather small street level basement on one side.

- Q. And you were up and down in the house, you saw [fol. 311] their living room and their bedroom and etc. Do you recall whether there was anything unusual in the furnishings of the house or did it strike you as being a normal house?
 - A. It struck me as being a normal house.
 - Q. A normally furnished house?

A. Just personal taste showing up as they do in everyone's home.

Q. I see. Do you remember going into the bedrooms of the house?

A. I don't remember. I remember going into the rooms

but I don't remember the rooms.

Q. Do you remember whether there was any conversation had as to the type of furniture that was contained in the bedrooms in that house! Or was there no conversation that you can remember?

A. I remember no conversation.

- Q. Do you recall whether you saw regular beds with mattresses in the bedrooms?
- A. This part I do remember that when they visited, Mrs. Greene much preferred to lie down on a very stiff support since she had a back injury from skiing so that a floor, for example, in contrast to sitting on a davenport was ever so much more relaxing for her, this I remember.
- Q. Did conversation as to Jean Greene lying on boards come up at the visit to the house during the time that you were invited there for dinner?

A. I don't know for sure. I can't say.

Q. In any event, you do remember that for some reason or another your best recollection being that it was because Jean Greene had some back injury that she used to use a board to lie on?

A. Yes, sir.

Q. Now with that in mind, do you remember that there either were or were not mattresses in the Greene bedroom at the time you visited there on the occasion of you having dinner?

A. This I don't remember.

Q. You don't remember. On the two occasions when you visited the Greene home did they have any other visitors at any time at all?

A. They did not.

Q. Did not. I think you've mentioned that, without being specific as to the exact time, you did pick up one or two. [fol. 312] pieces of literature at the Greene home at the. time you were there which was architectural magazine or some other magazine of that type. Is that right?

- A. Yes, this was specifically, as I remember saying it earlier, was the visits to their home at Kings (Paint) Branch and Takoma Park were the visits were a lot more casual and where our friendship, wives especially, had grown to a point where we were more relaxed and casual about it.
- Q. But you say that you don't remember ever seeing anything that would be of a Communistic literature nature?

A. This is correct. I don't remember it.

Q. Let me ask you this, Mr. Light, do you think you would recognize so-called Communistic literature if it wasn't labeled. In other words, let pie put it this way, I don't want to mouse-trap you. If you saw a book called "In Fact", for instance, would you know if it was Communist or a Communistically inclined piece of literature?

A. I probably wouldn't know unless it had recently been or had been so heralded or published list or made the head-

lines as such.

Q. I have no further questions at this time. Mr. Berueffy, do you wish to inquire any further?

Mr. Berueffy: Yes, I'd like to ask one or two more questions. I just want to make it clear, Mr. Light, when Mr. Greene lived at Kings (Paint) Branch and at Takoma, was this before or after his divorce from Jean Hinton Greene?

A. It was after his divorce.

- Q. And at this point he had married Mrs. Dorothy Greene?
- A. That's right. One point I would like to mention here which I don't think has been filled in. My employment at Engineering and Research Corporation was not continuous since October 1946. I left September '47 for the private (!) physics laboratory, Johns Hopkins University in Silver Spring where I worked up until approximately three years ago and returned to Engineering & Research Corporation at that time.
 - Q. The only house in which you visited Mr. Greene during his first marriage was the house on Harvard Street, is that correct?

A. Yes, sir.

Q So that any other house you referred to was after his [fol. 313] marriage to Mrs. Dorothy Greene?

A. That is correct.

Q. Now, Mr. Scanlon asked you if you had any reason to believe or any idea that Mr. Greene was sympathetic or favorably inclined to Soviet Russia and your answer was that you thought that he had some sympathies for some particular viewpoints?

A. No, the way the question was phrased, I may have missed but the inference in (Mr. Scanlon's)?, is that cor-

rect?

Counsel: Correct.

A. The inference was that at any time on any occasion was there any evidence of it and I think in my opinion, what I was objecting to was the complete hundred per cent across the board. The answer to that I think might have given you a contrary opinion from what I wanted to express and that is—maybe we developed it later adequately, but that there was no underlying, persistent or reoccurring thing. Would you continue along that line.

Q. I was going to ask you this question. In general, in the time that you knew Mr. Greene, was his opinion towards the Soviet, in general, favorable, unfavorable or

neither?

A. Taking from those three possibles, I would say it was unfavorable because on so many occasions we had mutual disagreements on politics in this country. As I've mentioned before we both agreed that this, was in general, a capitalistic and what we were doing here was by far the better system so it was definitely unfavorable.

Q. So that, in effect, when you say he may have sometimes expressed some fixed sympathy, I think I got from you actually when you say as an engineer you were very afraid of a positive statement from which there is no ex-

ception?

A. Yes, sir—across-the-board statement, so to speak—something that's generally unsupportable. I think that's what I've tried to get across in my comment.

Q. Now, let me just ask you this, Mr. Light. Have you

got a security elearance now!

A. Yes, sir, I do.

Q. What clearance?

A. Secret.

Q. When you worked for Johns Hopkins Laboratory did you have a clearance there?

A. Yes.

[fol. 314] Q. What clearance was that?

A. Also secret.

Q. In your direct testimony you, previous testimony, at least, you indicated that in general, you thought Mr. Greene and yourself had relevantly similar basis for political viewpoints.

A. Yes, I said that.

Q. Now, would you say-

Mr. Scanlon: I wonder if you could pull that "mike" a little closer.

Mr. Light: Right, this will be better.

Counsel: I might say to you, Mr. Light, that I think it would be helpful also if you find something else to do with your hands so that your hands don't—

Mr. Light: Don't swing by it?

Counsel: Yes. Now, what I was about to ask you was: would you be willing to apply that generalized statement as to over-all political viewpoints, to Mr. Greene's attitude towards Soviet Russia? Would you say that, in general, 'his attitude was similar to yours?

A. That question had several interruptions (interpolations) in it. Can we piece it together a little bit here so we—

Q. Well, as a matter of fact if was a bad question. Let me just preface (it) a bit. What you said, that in general you felt that your generalized political viewpoints were roughly similar between the two of you.

A. Yes, sir.

Q. Now, you've been describing with specificity Mr. Richard (?) Greene's viewpoints towards Russia and I'm asking you, would you also apply and consider your viewpoints roughly similar with reference to the Russian specific issues?

A. Yes, sir, very definitely.

Counsel: I think that's all the questions I have.

Mr. Scanlon: I have no further questions, Mr. Chairman.

Chairman: Capt. Singer?

Capt. Singer: I haven't any.

Chairman: Mr. Simms. Mr. Simms: No questions.

Chairman: I have no questions. Thank you very much, [fol. 315] Mr. Light. And in view of the hour, I don't think it will (be) feasible to start with another witness now so I'll think we'll adjourn to 9:30 tomorrow morning at which time Mr. Greene, would you please be here.

Counsel: Let me just say that Mr. Greene will be here, of course, but I expect tomorrow morning to start out

with Col. Berliner and Mr. King.

Chairman: That, of course, will be alright.

TESTIMONY OF MILTON W. KING

Chairman: Mr. King, did you come as a witness for Mr. Greene?

Mr. King: Yes, sir.

Chairman: Will you raise your right hand and be sworn, please? Do you, Mr. King, solemnly swear that the testimony you are about to give in the case now in hearing is the truth, the whole truth and nothing but the truth, so help you God?

A. I do, sir.

Chairman: Would you state your name and address

for the record, please?

Mr. King: My name is Milton W. King. I'm an attorneyat-law with offices in the Southern Building in Washington, D. C., and I live at the Westchester Apartments, 4000 Cathedral Avenue, N. W., Washington, D. C.

Counsel: Mr. King, are you connected with the Engi-

neering and Research Corporation?

A. I am its vice-president, secretary and my firm is its general counsel.

Mr. Berueffy: How long have you been connected with that corporation?

A. I think I organized it in 1931. I didn't organize it, I did their legal work, I had nothing to do with it.

Mr. Berueffy: Are you presently an officer of the Bar Association of the District of Columbia?

A. At the present time, I'm not an officer of the Bar Association of the District of Columbia. I'm a past president of the Bar Association of the District of Columbia. I was its president in 1943.

Q. Do you serve on any committees of the District Courts [fol. 316] of the United States for District of Columbia?

A. I'm on the committee of Admissions and Grievances which gives the bar examination and also takes care of all the grievances and infractions of the rules of the court. That's a committee appointed by the court. There are nine on it, six of us give the examinations and three of them handle the grievances and the whole committee sits in bank (en banc) on all disputed matters.

Q. Are you presently serving on any committees of

the Bar Association?

A. I'm chairman of the Judicial Selection Committee of the Bar Association.

Q. And what's the function of that . . . ?

A. The function is to, when there's a vacancy in any judicial office to poll the Bar Association and to recommend to the Attorney General, people that we think are suitable, acceptable and capable of filling the vacancy in the judicial positions that are vacant.

Q. How long have you practiced law, Mr. King?

A. Since 1915.

Q. Would you tell us what relationship, in general of Colonel Henry Berliner is to Engineering & Research Corporation?

A. Colonel Berliner is the Chairman of the Board and the owner. He and his family own Engineer & Research

Corporation:

Q. And are you related to Mr. Berliner?

A. I'm his brother-in-law, I married Louise Berliner, his sister.

Q. So that you have a personal interest in the success of Engineering & Research Corporation?

A. Very much, it's one of my best clients.

Q. Now, do you know William L. Greene?

A. Yes.

Q. Now, at the previous hearing for Mr. Greene before the Industrial Review Board which took place in January of 1952, did you have any connection with that case?

A. Yes, I tried the case. I was the attorney for Mr.

Greene.

Q. And at the same time, of course, your firm was appearing for ERCO?

A. Yes.

Q. How long have you know Mr. Greene?

A. Oh, I would say that the evidence indicates for at least ten years, I guess, I don't know the exact date.

[fol. 317] Q. Are you familiar with what the officers of the company and his associates there at the plant think about him?

A. I am.

Q. Now, in connection with representing him, did you in his first hearings did you make an investigation of

the fact, relating to that case?

A. I made a very, very exhaustive examination of all the facts that I could ascertain over a period of months in preparing for the trial as well as Col. Berliner who was the head of the firm was interested in Bill and he was very anxious to see that justice was done. And I: might add, if I may, that Colonel Berliner is the nominating (dominating) factor in this company is to my mind one of the finest Americans I have ever known. He was in the First World War, he served as head of the War Planes (Plans) Division for Air Corps as an aide of General Spaats (Spaatz) in the Second War. He lost his arm over there. He's had ulcers since, hard of hearing. and I might say that one of the reasons that I went into it so exhaustively was not only from the point of clearing. Bill but to satisfy him and to satisfy myself that he was a good security risk, because irrespective of whether or not the Board had cleared him or not, if I had ascertained in the course of my examination that he wasn't a

good security risk I'm sure that irrespective of that decision, we wouldn't have retained him.

Q. And after that investigation you did undertake to

represent him before the Board?

A. I did.

Q. Would you tell us what your opinion based on your acquaintance with Mr. Greene, is that investigation that you made prior to the agreeing to accept his case and in connection with the trial of that case and based on any other information you may have, would you tell us what your opinion of Mr. Greene is with respect to security and his loyalty?

A. I thought there was no question about it.

Q. Now, you have been, of course, familiar with the things that have been said during the hearings that are said to cast a doubt on Mr. Greene?

A. I think I have, I haven't reviewed it very carefully in the last year or two but it is very well fixed in my mind, [fol. 318] I think. I'm not sure of the dates but I think there are certain facts I recall.

Q. Well, in general, you knew that Mr. Greene—that one of the matters was that Mr. Greene had had contacts

with military officers of the Russian Government.

A. Yes, I knew that.

Q. You knew that there were questions about his former wife, you knew that some of the associates he made in that period were later found to be people who were subversive?

A. I did.

Q. And you formed this opinion then as to his security in the light of all that information?

A. Yes, I did.

Q. And may I ask you if that still represents your

opinion as of today?

A. It does. May I add this to that now or maybe I'll make this qualification, I think that trial was held I think it was either a day or two in January '52 and we tried to have the witnesses which I thought was material to testify and as you know the Board reversed the decision and cleared him. And about a year later he got this notice from Mr. Anderson who was the new secretary of the

Navy, under the new administration revoking the clearance. And I was rather surprised too, when the firm referred it to me, so I went down, I think it was Naval Intelligence, I'm not sure, the office to which they directed me, to find out if anything had transpired or happened since the trial of the case, any new evidence had crept in that I didn't know about which would make me inquire whether he was a good security risk because if nothing had happened since the previous trial, my opinion remained the same. Of course I didn't find out, intelligence wouldn't tell me they were very polite and very respectful with its views. The Intelligence office told me nothing about it, they told me that Mr. Anderson had revoked clearance and after that was very nice and as I said, very respectful but I didn't ask anything at all. May continue on.

Q. Go right ahead.

A. I don't like to-lawyers make very poor witnesses. Well, I couldn't find that out. I couldn't understand why it had been revoked because that was in the department of the Navy and I didn't question, but I was anxious to find out, as a lawyer, whether any new factors developed which would make this Board, which as I thought was a [fol. 319] very fair Board and the charge against Greene were thoroughly gone over, but I didn't find out. Well, I reported that to the Board. Well at that time, that was in 1953. I think ERCO's main client and its only client at that time, was the Navy. We had a backlog with the Navy of about ten million dollars, we owed the Navy four million dollars on slow notes and the Board decided that I'd better not represent Mr. Greene-I would have liked to but I could see the conflict of interests. The Navy was our client, they had ordered this clearance revoked. And we discussed—I discussed it with Mr. Wells and Col. Berliner and the other gentlemen . . . and the other members of the Board, and we decided inasmuch as the Navy which was our client for whom we were doing all this work, and to whom we owed all this money, that it was much better to get another lawver that's why I stepped out. of the case.

Q. At that time though, you did try to make an investi-

gation to determine whether by ERCO's standard irrespec-

tive you would want Mr. Greene working for you?

A. Oh, yes, we of course, as I said before, I ascertained nothing and I assumed—they wouldn't tell me, there wasn't anything but that was just an assumption I didn't have any grounds or basis for that because in our line of business when you try a man and he's acquitted why, unless something else happens subsequently, it's usually final but that's all I found out. I found out nothing.

Q. But in any event nothing has transpired that you know about since the original hearing to change the opinion

which you stated?

A. No, the minute we got that letter I advised the company that they would have to let Mr. Greene go and to follow out the instruction contained in the letter, exclude him from the plant which we promptly did. I haven't seen Mr. Greene I think since then perhaps once or twice casually.

Q. Now, let me ask you this Colonel, Mr. King.

A. I was just an Engisn in the First World War. In the First World War there wasn't anything higher than Ensign, we didn't have any . . .

Q. Without reference to the issue of security now, do you know if Mr. Greene was or was not a valuable member

of the staff of ERCO?

[fol. 320] A. He was a very very competent Engineer and at the beginning of the war the Navy had been struggling for some time to develop a rocket launcher. I remember this because I heard it discussed I'm not a mechanical Engineer, I don't know anything about it, but I did know from what Berliner said and what Wells said that this rocket launcher that Bill Greene took hold of and perfected it in a couple of weeks. After they have been working on it for some time, and I think it would be a better rocket launcher once it's been used than was introduced to the Navy during that war. He also had a reputation as a darn good driver—any job that they gave him to do he did quickly. All Engineers, don't forget, have ideas and some Engineers never seem to complete anything. He seemed to be a very demanding sort of man who completed things. The thing that struck me most,

forcibly, I think, than anything else, the way he designed, was the fact that he always liked to get jobs done fast, quickly, didn't do like other people do, that is, like one would who has the many accusations that have been leveled at him that he might delay the work—you know delay—at least so many people have the habit of doing, on the contrary he was most efficient and expeditious in getting the work completed.

Q. Nothing you heard in the light of all you know of Mr. Greene indicates anything that would cause you per-

sonally to form a doubt as to his security?

A. No, sir.

Q. I have no further questions.

Chairman: Mr. Scanlon?

Mr. Scanlon: Mr. King, you say that you've known Mr. Greene for about ten years at least?

A. Yes, whenever he came to ERCO, Mr. Scanlon, I don't know, perhaps longer.

Q. That goes back I believe to 1937, is that correct?

A. Probably yes.

Q. Did you know him very well during his early years

with your firm Mr. King?

A. Not socially, no, sir, just—you see I have an office in Washington and in those days I used to get out to the plant quite often and when Berliner went to the war and left [fol. 321] the plant I used to come out there once or twice a week but I didn't know him socially at all, sir, no.

Q. Well, when did you first come to know Mr. Greene,

well personally?

A. I would say around the beginning of the war.

Q. Did you have frequent personal contacts with him from early 1942 on?

A. No, no more than I would with any man who was—when he became Projects Engineer at the plant, whenever that date was I used to see him but I never became particularly close to him socially. I don't think I was ever in his house and I don't believe he was ever in mine.

Q. You've never had any social contacts with him?

A. No.

Q. Then your personal opinion of his security and loyalty

is based on what you learned from others?

A. Correct, absolutely correct. And from my own observation, of course, during my interviews with him when I was preparing for the other trial.

Q. Do you know Mr. Greene's first wife?

A. No, sir. I knew about her but I didn't know her. I may have met her once but I don't think I'd know her if she came into the room—I may have met her, that's all, but it created no impression on me if I did.

Q. In the course of your investigation of Mr. Greene and his background and associations did you develop very. much information concerning Mrs. Jean Hinton Greene?

A. Quite a good bit.

Q. And the information you developed concerning her, were you convinced that she was Communist?

A. If she wasn't a Communist she was pretty near one.

Q. How far back did you find any indications of Communism in her records, Mr. King?

A. She was the daughter, as I recall it, of a woman who ran a very fine girl's school up in New Hampshire or Vermont or some place. And as the story developed and as I recall it now she worked in one of the Government departments, I think, directly under Silvermaster or one of the fellows who was later proved to be a Communist, and I think from that time on, and this is just my opinion, Mr. Scanlon, my conclusion of how it came about. She [fol. 322] first became radical, now whether she was ever a Communist I don't know but my impression is that she was pretty darn radical.

Q. What do you mean by radical? How did she exhibit

it?

A. Well, she, this is what I heard now, not from what I talked to her about.

Q. I believe that you established that you didn't know her.

A. No, I didn't know her. Well, from the contacts she made from the fact that she—I think at one time made Greene subscribe to the "Daily Worker", the fact that she was strongly—according to what Greene used to tell us about—unions and she got mixed up in the mud in radical

thinking and I think once or twice during those years. Greene complained to me in front of Henry Berliner about the fact that he couldn't stand the people that she was bringing into his house, but, of course, he was a married man, I'm married myself and I suppose you tolerate a lot of things that you like to do like us in the beginning. But he was continuing toward the end there complaining about the character of people, their thoughts, the radical ideas that she was bringing into his house.

Q. You mentioned one indication of her radicalism the fact that she was extremely interested in unionism?

A. Bill said when—we had three elections at the plant to decide whether or not, I think we won three, but the union finally got in and I think on the fourth election, the union won. And during those times in one or two conversations I had with Bill at least, I think he told me about his wife was very strong for unions. I have nothing against unions, I think unions in certain ways are pretty good, but we are getting along pretty well and we didn't think we wanted any unions, so we had an election and as I said before, three times we rejected them, I think it was two or three times, and the fourth time they won the election and we've been very happy with them ever since.

Q. Did you consider her interest in unionism to be an

indication of radicalism?

A. No, but the way that connected with the other facts that Greene used to drop or Henry Berliner used to tell me that Greene told him, led me to the conclusion that she [fol. 323] was pretty darn radical. And then the people that she was mixed up with, I didn't discover that until later, until that thing came out in the newspaper about the people that she was working with.

Q. Did you learn of any remarks that she might have made that indicated her pro-Russian or pro-Communist

sentiments?

A. I don't recall any, there may have been. I really don't recall.

Q. You recall any remarks that might have come to your attention to indicate opposition to our capitalistic system?

A. Generally I wouldn't know any remarks that she made.

Q. In your investigations into Mr. Greene's background did you speak to many people that knew Mrs. Greene during that period express an opinion that she was pro-Communist?

A. The only person that I think I interviewed were the people that Bill had worked with over the years, that worked in the plant. I may have spoken to one outsider, but I don't recall it now, and they all told me that she was thinking along the lines, Mr. Scanlon.

Q. That is, people inside Engineering & Research?

A. Engineering and Research, and used to visit at Bill's house.

Q. They told you that from their own observations they considered her to be radical?

A. Yes. That was my impression of it, I don't want to

be too hasty.

Q. Among the people in the plant that knew Mrs. Greene it was pretty well known that she was radical or pro-Communist, is that correct?

A. Well they began to know it when Bill began to complain about it, I don't know whether they knew it before

that or not.

Q. Col. Berliner was aware of her pro-Communist feelings too, don't you think?

A. I would say so, yes.

Q. Directing your attention now to Mr. Greene's attitude as exhibited during this period of his marriage to Jean Hinton Greene, did he express strong opposition to her political philosophies?

A. Yes, towards the end he did.

Q. Or was he just expressing an opposition towards the [fol. 324] kind of people she was bringing into the house.

A. No, he was against both the people and against the philosophy.

Q. What did he say about the philosophy?

A. He never said much to me Mr. Scanlon, but he said it to Berliner and Berliner used to tell it to me. So it's really second-hand information. It was just an impression created from what the colonel told me.

Q. Well based on this second-hand information what specifically did he object to in her philosophies?

A. Off hand I don't know. I think she was against, as you said before, against the capitalistic system but I don't remember any specific things about it right now sir, except the general impression that she was against it.

Q. You have a vague impression that he was against it

but exactly how did he show it?

A. Well you see my contact with Bill began really when I began to prepare the case. I talked with him, I saw as letter that I think she wrote once where she said his ideas were radically different than his. I mean that was shortly before they got the divorce. But I was, always figures from what I could learn and from what I could ascertain that was one of the reasons he got the divorce.

Q. Now, about some of these friends that she was bringing into the house of Mr. Greene, how soon, so far as you could determine, did Mr. Greene start to object to them?

A. Well from what I could understand, shortly after they started—in the beginning he was—until he found out about them, found out how they thought, those people worked pretty—I suppose pretty insiduously, but it got worse and worse and with the influx of time then he began to complain bitterly to Berliner and then he used to tell me about it.

Q. What did you learn concerning what Mr. Greene

found out about her thinking?

A. You mean about the woman thinking.

Q. No, not the woman—her friends.

A. Well I didn't learn much about it until I read the paper and connected it up with these—I think his name was Silvermaster and one of them was named Ullman, and one of them was named Sasuly who turned out to be later, Communists.

[fol. 325]. Q. According to the testimony that has gone into the record so far, Mr. Greene had no access to that information until after he had terminated his friendship with them?

A. That may be so.

Q. What I'm trying to find out is just what was it that

he learned about their thinking in the period of '42 to '47 that caused them to break up:

A. I wouldn't know, I really wouldn't we wouldn't want

to be specific about it, that would be of any help.

Q. But you have a feeling that he did object to them?

A. Oh, yes, I have a definite feeling I mean, but the de-

tails of it I can't recall right now, sir.

Q. Did you learn at any time during the period 1942 to 1947, Mr. Greene might have been attempting to understand his wife's viewpoint and accept it?

A. No, that was not my impression, I mean, I got just

the opposite impression from that.

Q. Well, how about this business of his subscribing to

the "Daily Worker", Mr. King?

A. I understood that he subscribed to it because she wanted him to do it and I think finally he threw it out or discontinued it. I remember something about the "Daily Worker", yes, I mean that's my recollection of it now.

Q. Wouldn't you consider his subscribing to the "Daily Worker" might have been an indication that he was at-

tempting to, at least, to appease his wife?

A. I know I wouldn't, I wouldn't think so, it might be that ves. That's a very good question. I mean a lot of people subscribe to the "Daily Worker" just to find out how the Communists are thinking. I never read the paper. I wouldn't even, I mean, but a lot of people do do that. I wouldn't.

Q. Did you learn during your investigations that Mr. Greene, himself, might have been reading this Communist

literature that came into the home?

A. I don't think he did and I'm not sure about that. I haven't had much to do with this case since '52 when I tried it. But I mean these facts that you mention, I know my impressions but the details, Mr. Scanlon, I'm glad to have you ask me because you made me refresh my [fol. 326] memory of some of them.

Q. Based on what you've learned in this period of your investigation of Mr. Greene, do you feel that his associations during the period 1942 to 1947, made him a poor

security risk at that time?

A. No, I'll tell you how I figured that out. I figured out that being baited with that or being subjected to it, objecting to it and finally divorcing his wife that he'd be a better security risk afterwards even if he had been tinged a bit with it in the beginning which I don't think he was. I think if he'd go through that fire like he did and it must have been pretty bad with his wife and emerge and I thought it pretty fair that he'd be a better security risk after that.

Q. Well, I'm referring specifically now to this period of '42 to '47 when Mr. Greene was cleared for access to classified information and when he was handling classified information, do you feel in the light of your present knowledge that he was, at that time, a poor security risk?

A. No, I do not.

Q. You don't feel that his associations would make a man a poor security risk?

. A. No, I don't.

Q. In other words, if he had those associations today, you wouldn't think he was a poor security risk today?

Q. I have no further questions.

A. I think if he had those associations today knowing what he knows now I think he would be a poor security risk, yes. Because then he would voluntarily go back to the people that you and I or nobody else would have anything to do with. I mean if he did, if he went back to those people now, knowing what he knows now, I wouldn't have much respect for him and I wouldn't think he was a good security risk.

Q. Do you feel that if a man has unconsciously, associations with these people today is a poor security risk

today?

A. Unconsciously?

Q. Yes, sir.

A. I wouldn't think so, no—probably I have, probably and probably you have without knowing it. I wouldn't think so.

Q. I'm not referring now to as casual association what [fol. 327] I'm talking about are close associations that he had in his home frequently(!)....... don't you think that mere association would make him a poor security risk!

A. I don't think so. I'll tell you why. In talking, as you must do when you're preparing a case, as you know, getting different people's impressions I think the man's actions over the years are more significant than little incidents that crop up now and again. Now you take a man, you know, for instance, as you know yourself, the Supreme Court has held that an evidence of good character is of itself enough to create a reasonable doubt before a jury. Now, you take a man that has worked out at the plant for ten years, his only interest I seem to remember in those days of Bill's, outside of his engineering work(1) was sailing a boat and flying an airplane. You know we used to make a little plane called the Ercoupe. Bill was one of the Engineers, he was a pilot and used to fly that and he likes to sail. So it would seem to indicate to me that he had no subversive ideas. If you take a man, and as they always say, "actions speak louder than words", you take men that have slept with a man, who lived with a man for several years, during some of those times, if he was a poor security risk or if he had any leanings towards radical philosophies, it would manifest itself someplace and that never manifested itself to Berliner who was his boss, it never manifested itself to Wells, it never manifested itself to Clements, or a fellow. named Burgess orca fellow named Mountjoy that I talked to. Now to me, as I told you before this was just the information these people told me. I have no personal knowledge of it myself, but it seems to me that a man who has worked with men, who over a period of ten or fifteen years, who have almost lived with him during the course of that time there would be some manifestation of either the poor security risk or the philosophy had imbedded itself upon his thinking but according to all the . talk (I talked toothese men) I made with these fellows all during those times there was never any indication that he thought that he was anything but a good American.

Q. All during this period as I understand, your previous [fol. 328] testimony, these people that you refer to weren't aware of the fact that his wife was either a Communist or pro-Communist?

A. I would say so. I wouldn't think so. I wouldn't like

to say. I gathered the impression, when they learned about it, I don't know but they knew toward the end that she was pretty well to the left.

Mr. Scanlon: I have no further questions.

Chairman: Captain Singer?

Capt. Singer: Mr. King, I assume as attorney for Mr. Greene, that you became quite fully acquainted with this case and tried to investigate it quite thoroughly?

A. Yes, sir, I tried to.

Q. Mr. King, based on your knowledge of this case and speaking now as a loyal American citizen, do you consider that the granting of a clearance to Mr. Greene is clearly consistent, and I repeat that it is clearly consistent with the interest of National Security.

A. I do, sir, firmly.

Q. I have no further questions.

Mr. Simms: No questions.

Mr. Waldman: Let me say first Mr. King, anything that I ask you isn't going to be too difficult for you to answer since it appears from the record that you began to practice law the same year I was born. Just one or two things I'd like to get your opinion on. In your testimony one of the reasons that you stated that you thought that you knew that Mr. Greene wasn't a poor security risk and was a loyal American, was the fact that as an engineer in the place he didn't manifest anything that would indicate that he was anything else but loyal.

A. That was one of them.

Q. One of the things?

A. One of the things, yes sir.

Q. And you also said that you got the impression that he was loyal etc. from the fact that he was a dynamic worker and would finish the job and he wouldn't delay the work like some of those subversives delayed the work. Did you have any people in your plant who delayed the work and who were subversive.

[fol. 329] A. Not that we knew of, I don't think.

Q. What gave you the impression that subversives delay the work and other people didn't?

A. I suppose I get that from reading the papers. It may be the attitude of the philosophy as you say. Let me tell you something else about it I think might be significant. We're making now for the Navy and have been and I think, what's known as a jet simulator. In other words, its like the old (link?) trainer except it's an electronic device this jet simulator. It's a terrifically mixed up thing, about ten or fifteen miles of wire in it and the instructor can set in the back and simulate anything that an airplane can do, and he was very material in developing that. He was material. I mean his ingenuity developed that, set it on its way and as I said before when he was handling the charts for the Navy during the war which he was doing. This simulator which the Navy thought was very valuable and I'm not an engineer but I think probably it is. It's a very expensive device. I think it cost a couple of hundred, two hundred or two hundred and fifty thousand dollars. It saves the Navy a lot of money because pilots can operate on this and not take a jet plane up and maybe crash it or wreck it. He helped to develop that enough to perfect it. And that together with what Mr. Berliner told me about his ability and how he worked to get the work out and to perfect other things which the Engineer & Research Corporation did lead me to believe that he was anything but a man who would be a poor security risk.

Q. Much of this engineering that he did for your firm was done in the year 1942 and "43 & '44 & '45 and '46?

A. No, I think the simulator was much later, that's a later development that's only been in the last two or three years—the simulator.

Q. But most of the work that he did at your firm was during the World War II years?

A. That's correct.

Q. And at that time it wouldn't have been uncommon to find anybody who was a believer in the Russian phi[fol. 330] losophy to delay the work. We were engaged in the same war with them.

A. It may be so.

Q. I mean you wouldn't draw any conclusion from the fact that (interruption)

A. No, that was just one of the facets to the (threat?). • I mean taking a man's general characteristics and that was just one of the facets, that I have always read, these slow-downs you know, these Communist trials affecting factories by not directly sabotaging in doing things to slow it down was a significant thing. I just figured that—we both figured that, Berliner and myself, that here was a man that was expediting all the work, doing everything he could to further the war effort, doing everything he could to further any instrument of war that the Navy handed us. He never showed to me and never to any of the fellows I know any manifestation that he was anything but a good loval American and a good security risk. That's my own opinion. I started practicing the year you were born, and in fact, gathered a little experience over the years. Sometimes you judge people wrongly and I am, of my own opinion, after listening to people, after interviewing witnesses after trying the other case it was my opinion, as the Captain just asked me, that I think I don't believe for one second, and I'm sure that if Henry Berliner thought for one second that the employment of Mr. Greene would endanger the war effort we'd bounce him ont of there so fast it would make his head swim.

Q. Well, Mr. King, you're a reputable member of the community and your opinion to this Board has some value as you probably realize. Our position here as you know isn't to find out whether or not he is absolutely a good security risk. The criteria that we have to apply I imagine you are aware of at least Mr. Berueffy has been furnished the standards that we apply. Close and continuing association with certain types of people over a long period of years etc., sometimes creates a pattern. And we have a responsibility as you realize.

A. I appreciate that surely.

Q. Both to Mr. Greene and to the Government?

A. And I feel that I have too and I fell that our company

has. I really do.

Q. Fine. I ask you again it is almost the same question [fol. 331] that Captain Singer asked you, knowing what you do know about Jean Hinton Greene, the former Mrs. Greene, and knowing that a number of people, including

the impressions that you got, stated that they thought she was a Communist or at least radically inclined for a period of five or six years that she was married to Mr. Greene and knowing that he knew that and lived with her and apparently saw her friends etc., and met some of these

disreputable people and went to disreputable organizations, would you still say, with that background, in your opinion; that giving him a clearance would be clearly consistent

with the interest of national security?

A. I would, Mr. Waldman, yes I really would. Something else has come to my mind I wanted to say. Here is one thing if I'or you as a lawyer go in and try a case and try it pretty thoroughly and try it fairly well and it's heard by a fair and impartial Board, and the man is cleared, as a lawyer and as a citizen I can't understand why that should be rehashed. You know that is a legalistic approach to it.

Q. Let me at this point stop you from pursuing that line because you don't have access to our files and we can't disclose to you why this is being retried at this present time anyway. Let me say this that the government always

has the right to reopen any case-

A. Absolutely.

Q. Fine, so with that in mind you can continue if you

have anything else to say.

A. The only thing I was going to say is this: In answer to Captain Singer's question and in answer to your question I am firmly convinced that Greene is a good security risk. Unless something has developed since that trial, let's say in January of '52 that would make me change my mind.

Q. Well, Mr. King, I didn't ask you whether or not you thought Greene was a good security risk, what I would like to know is, you are a lawyer and probably as well aware of the import of certain language as I am. Would you say that he is a security risk beyond any question because the criteria and I will read the language to you if you would like me to is: "That we must find that on all the [fol. 332] evidence that giving him a clearance to classified information is clearly consistent with the interest of national security." This is one situation, security is, where the doubt must be resolved in favor of the Government.

Unfortunately, the legal interest approach to some of this is that the doubt must be resolved in favor of the man. However, the situation in the country is such as we all know that any doubt must be resolved in favor of the Government. Now with that in mind, knowing that any doubt must be resolved in favor of the Government and with your great knowledge of this case through handling it in the past, do you still say that in your opinion under oath, that the granting of a clearance to classified government information is clearly consistent with the interest of national security.

A. I would say yes.

Q. Mr. Chairman, I would like to ask one or two more questions. Mr. King in summing up before the Industrial Review Board in 1952, you stated among other things, "I don't think I'd approve of his actions up to 1947."

A. If I said it, that's what I meant then.

Q. Would you like to expand on that and tell us what you meant, sir?

A. No I wouldn't, I don't—if I said it I meant it at that time and I still mean it, whatever I said.

Mr. Berueffy: What I was asking you Mr. King is, has there been any change in the character in Mr. Greene's attitude towards his work specifically having in mind the beginning our Cold War with Russia and the events which have now made the Russian government an enemy instead of an ally?

A. Of that I don't know.

Mr. Berueffy: Now this work on the simulator was more nearly in the Korean war period than in the World War!

A. That's correct.

Mr. Berueffy: I have no further questions. Mr. Scanlon: No questions Mr. Chairman.

Captain Singer: I have no further questions.

Mr. Simms: No questions.

Mr. King: Thank you.

Chairman: Thank you very much.

Mr. Berueffy: With your permission I'd like to recall Mr. King for one question.

Chairman: Certainly.

Mr. Berueffy: Mr. King in the course of your testimony this morning you testified that your recollection from your investigation was that Mrs. Greene, that is, Jean Hinton had caused Mr. Greene to subscribe to the "Daily Worker". Now I'm going to hand you a photostatic copy of a document and ask you—and the document I'm referring to is the original answer which is on file and ask you if your office prepared that?

A. Yes, we did.

.Q. And have you read it over in the recess?

A. I think you showed me the original that I made a mistake in my testimony where I said that Mr. Greene had subscribed to the "Daily Worker", according to this which is more accurate than my memory now, that it was never subscribed to, that his wife bought it, I think four or five times and brought it into the house.

Q. And does that document-

A. Yes it does.

Q. Now perhaps I should have reminded you, although I'm sure you know it that you are still under oath. Do you now want to correct that specifically?

A. I do, yes, sir.

Mr. Scanlon: No questions, sir.

Mr. Berueffy: Thank you very much. We'll get Colonel Berliner in here.

TESTIMONY OF HENRY ADLER BERLINER

Chairman: We have to swear you in Colonel, so without raising a hand, do you solemnly swear that the testimony you are about to give in the case now in hearing shall be the truth, the whole truth, and nothing but the truth, so help you God?

Col. Berliner: I do.

Chairman: Will you state your full name and address please?

Col. Berliner: Henry Adler Berliner. Do you want me to

spell it! BE-

[fol. 334] Chairman: No sir, that's perfectly alright? Col. Berliner: 2841 Hilton Street, Washington, D. C.

Chairman: Thank you. Your attorney will now ask you

a few questions.

Mr. Berueffy: Colonel Berliner, you're the Chairman of the Board of Engineering and Research Corporation?

Col. Berliner: Yes I am.

Mr. Berueffy: And that is your company? That is you are the principal, you and your family are the principal . . .

A. Stockholders.

Q. And you founded the corporation?

A. I did.

Q. Have you been a member of the Armed Forces of the United States?

A. Yes, sir, on two different occasions.

Q. And what were those occasions?

A. First World War 1, I went in in '17 and got out in December 1918. And in the Second World War I entered the service in April 1942 and was retired in November 1943, I believe. I went back into the service as a civilian for several months for about three or four months in 1945 to do technical intelligence, and was overseas during those months.

Q.-What was your rank when you were retired, Colonel?

A. I was retired as a Coloney (Colonel) of the Army of the United States attached to the Air Force, rather the Army Air Force at that time.

Q. What was your specific assignment while you were

in the army the second time, Colonel?

A. I was Chief of War Plans of the Eighth Air Force, first under General Spaatz and then under General Aker when General Spaatz went to Africa and General Aker took command of the Eighth Air Force.

Q. Do you know William Greene?

A. Yes, I do.

Q. How long have you known him?

A. Since 1937.

Q. And how did you become acquainted with him?

A. He, under the employ of our company in that year, I think and just out of college, I believe one of our other engineers knew him at New York University, and I believe [fol. 335] that's the way Mr. Greene happened to come to us in the first place.

Q. In the last seventeen years since he came to work in

your company have you seen him frequently?

A: I've seen him constantly up until two years ago,

that was practically every day—every work day.

Q. And you've known him over that entire period of seventeen years intimately, or that is in your working arrangement you have seen him almost every day if not every day?

A. Yes. He left our employ for a few months one year and went to General Motors of their propeller division but he returned after, I don't know, of four or five months I believe. During that period I didn't see him. Outside of that I saw him constantly.

Q. In these contacts with him did you learn anything

about his political viewpoints?

A. You get to knew a person pretty well in that length of time, I don't feel I know all about his political viewpoints as to whether he's a Democrat or Republican, but I feel that I know a good deal about his basic viewpoints. I know him to be a conservative, I can say that.

Q. Colonel Berliner, the criterion which this Board must apply is that on the basis of all the evidence, Mr. Greene's employment by your company is clearly consistent with the national security. Applying that criterion to your knowledge of him would you say that by that definition

Mr. Greene is a good security risk?

A. Delieve he is an excellent security risk, if I did not believe so I would not have employed him when this thing came up the first time.

Chairman: Pardon me, I don't like to interrupt but L'd like to correct what I think is probably an unconscious error in a statement that you just made preparatory to the

question you asked Mr. Berliner. You said that the criteria was that his loyalty or something must be clearly consistent for employment with his company, now we are not concerned, and the Government is not concerned with whether [fol. 336] or not the company employes him or not, our concern is whether clearing him is clearly consistent with the-clearing him for classified information is clearly consistent with the interest of national security. Now his company makes a private plane called the Ercoupe and assuming that Mr. Greene was not cleared which is merely an assumption, we have no objection whatsoever if Mr. Berliner wants to keep Mr. Greene working on the Ercoupe or some Schwartz propeller, but the only thing that we're interested in is whether or not clearing him is clearly consistent with the interest of national security, clearing him for classified government information.

A. By that definition I think we would be entirely justified in employing him and it was by that definition that we did employ him after he came up for trial the first time. If we hadn't been absolutely sure in our own minds, we never would have continued to employ him even before he was tried because we're running a fair size company there doing fairly important work for the Government and we realize the importance of security. I feel Mr. Greene is a very secure individual that he keeps his mouth shut about things that are secret or confidential. I know he does. I think he is much better at it than I am and I think I'm pretty good myself. I keep shut-up about it but I think he has even a stiffer criterion than the average person and the average Army officer or anyone that I know of. He takes security very seriously indeed. He has called my attention to a small lapse occasionally on my part and I corrected it.

Q. Now, Col. Berliner going back to 1942 or thereabouts, your company was manufacturing a device known as a Schwartz propeller, is that right?

A. Yes. Wait a minute, I don't know whether it was as late as '42, but '40 and '41 I'm sure of. I have an idea we stopped around or before '42 but it may have gone into '42 or even later. I am sure we were working on it in '40 and '41, we stopped it in '42.

Q. Well at that time Mr. Greene worked in your propeller division, did he not?

A. Yes he was in charge of it for—at the last part of the activity of that division he was in complete charge of the

[fol. 337] propeller section.

Q. Now at the time that he was in charge of the propeller section he was being paid a salary of course, was there also a bonus arrangement that he had?

A. Yes I think he, in common with all of the top engineers in our company had a bonus arrangement based on the

(Mechanical interference)

Q. You knew about each one of these contacts with-

A. I believe I knew about each one before it was made and after.

Q. You yourself have done some sales work before in

Government haven't you, Colonel?

A. Yes, I've done quite a lot. Before the war I travelled over most of Europe and even been to Russia once in 1935 in regard to the machine tools.

Q. Now as a matter of fact, your company over a period

of years sold goods to the Russian government.

A. Yes we did.

Q. Was that a substantial amount?

A. Yes, it was quite a large amount, although most in the machine tools. We wanted to make this propeller connection because it looked very good, it looked like just the kind of job we once did for the city or rather the Canadian government were we offered to build the Schwartz propeller and put in a plant for it. That was a very lucrative contract for us and this looks like it had the same possibility. We felt we might just as well do it as possibly British or the Germans do it.

Q. What I want to ask you now Colonel is, the contacting the Embassy people such as the Air Attache who might have a direct interest in the contract rather than contacting the purchasing division—is that a normal way of initiating sales?

A. That is one normal way, in fact it's usually the best way to do it through the Air, Attache, he has the most

knowledge of things like propellers that's quite a lot of technical details. You have to understand in order to talk about a contract the average purchasing agent would not know such things at all.

Q. Now Colonel, some of these contacts consisted of Mr. Greene's inviting this or that office (officer) or whoever [fol. 338] might be the Air Attache at that time to his house having him for dinner and entertaining him socially, is that also a normal—

A. That's quite normal, yes sir.

Q. And at the time these things were going on you knew about, did you approve them?

A. Yes, I did.

Q. At this time there was no reason why goods couldn't be sold to the Russian government, was there?

A. It was really encouraged rather than discouraged.

Q. What is your attitude toward Communists, Colonel?

A. I have no use for them. I hope I'm a good American citizen. I think they're a real blight on this world, and I think we've got to do something about it and I wouldn't be staying in this business if it weren't for the conviction. I'd much prefer to go into a non-military business for the last ten or fifteen years of my life. The only reason I stayed in this is because it is my conviction that I should stay in it.

Q. Now what I was going to ask you was this, in your mind, selling goods to the Russians at this time in no way constituted an indorsement of the Communist principal of

government.

A. Well at that time, the time that we did it, obviously not, we couldn't have done it if we had felt that, no sir. As far as I know nobody in our whole plant up in the higher echelon indorses the Communist form of government, if they did they wouldn't be in there, if we knew about it.

Q. Now, Mr. Greene went to also several parties given by members of the Russian Military Attache staff. At that time, referring now to the period of '42 to '46, at that time was it normal for business people to be invited to such parties by the Russians?

A. Yes I think they were considered fortunate if they were. Everybody who—nearly everybody that was invited to such parties went. That also constituted no indorse-

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ment of Communism in any form. I find that it's so difficult for people to put themselves back into that era. In that era, taking into account the President and his wife and their attitude, it was encouraged. Now, we didn't take

and their attitude, it was encouraged. Now, we didn't take any encouragement from that. We only did normal business [folo 339] things and if we felt that they had any—that they were going to be used against this company we naturally would never have done them. We're sorry now we sold them any machinery, but 1942 until 1945 at least until the end of the war, was the patriotic thing to do to assist them in the prosecution of the war. At least that's the way it was told to us and that's the way we looked at it at that time.

Q. Now Colonel, you yourself, went to some of these

parties, did you not?

A. I went to some of the receptions. I was not invited to any of the other parties and as far as I know it outside of the receptions, Mr. Greene never went to more than either one or two. He went to the receptions but everybody went to those, I mean a great section of Washington was invited, several thousand people. I went because you could get enough caviar for once in your life.

Q. Now at the time did there appear to you to be anything outside of Mr. Greene's perfectly normal relationship with your company and the sales in his going to these parties that the Russians or various members of the staff

gave?

A. It certainly did not, as I say I would have taken that

as being very much a menace if I had thought so. .

Q. Now Colonel, Mr. Greene at this time was, I think, the record shows, a project engineer. Was it normal for an engineer to go out and attempt to do sales work for your company?

A. Oh yes.

Q. Would you just tell the Board a little bit about why that was so?

A. Well as I say the selling of things as complicated technically as a propeller or a propeller blade. It takes an engineer to explain it and an engineer to understand it. I believe someone who has had engineering training, that's the reason I did a great deal of the sales work, not only

for the propeller blades, but for the machines that we built to cut the propeller blades. You have to know also all about them, you have to know the tolerances they had to be measured to. In the case of the wooden blades, there were many chemical problems involved in the gluing and the coating of the blade. An ordinary salesman would be absolutely useless. It took a man with the knowledge of a [fol. 340] project engineer to do the selling. It was conventional and still is, we do two-thirds of our selling through engineers.

Q. Now Colonel, I want to ask you did you know Jean Hinton Greene?

A. Slightly I did not know her well. I didn't care to know her well, with due to respect of Mr. Greene's selection.

Q. You met her on at least one occasion?

A. Yes, she came to the house one time, she and Bill.

Q. And you almost immediately formed an impression of her?

A. I certainly did.

Q. What was that impression?

A. Well she was undoubtedly a radical. We got into an argument inside of five minutes on the subject of labor unions, and her views were radical and I felt pretty close to the Communist line as I knew it, at least, and she was undoubtedly a radical person from the moment I knew her, at the moment I met her, and entirely different, that's what struck me so peculiar. In that, Mr. Greene himself, is quite conventional and anything but radical and here he was married to a very radical person. I didn't see how it was going to last then.

Q. Did you state to Mr. Greene about this, did you men-

tion your impression of his wife to him?

A. I'm not sure whether I did or not. I'm sure Bill knew how I felt because he would tell me of the arguments he had, I don't think I listened to it because I don't believe in doing that. It was none of my business, his personal relations, but at that time there was as I say, there were so many radicals around that as long as she didn't get any closer than she was, it didn't bother me. I felt Bill was a very secure individual and would never let anything

out that he shouldn't. I del that now. I would take him back today and I wouldn't if I wasn't sure of that in my own mind.

Q. Well at this time just to put the place in context, Mr. Greene was a young engineer in your plant but obviously beginning to be on the rise in your company

organization.

A. Yes he was. You've got to recognize this and this is the reason I think I'd like to explain this to the gentlemen. [fol. 341] The reason I got to know Bill so well, he came to us when we were a very small company. I don't think we had over five or six engineers there so naturally, I'm an engineer myself and intimately associated with the engineering work. And so if there is only a small number of engineers you get to know everyone of them very well indeed. But if a man came into our outfit today, just out of school, I probably couldn't know he was there for five or ten years make. In those days when we were small I knew everyone of them. I had to rely on them.

Q. Well, Colonel what I was about to posture to you was this: ere was a young engineer that you knew had begun to exhibit qualities that you thought might make him valuable to your company, and you found out he had a radical wife, now did that cause you to watch him to see whether

he was developing radical tendencies?

A. I watched them anyway, I mean I watched him very closely anyway. We felt that he had potential qualities that ultimately he was going up at least to the general managership of the company. He was the best of the younger men we had there. I kept very close tabs on him for that reason also being and having become a project engineer at a fairly early age that alone made him stand out and made it necessary for me and other top echelon—people there to be in close contact with him such as Mr. Wells who was here yesterday, I believe. We had to know the intimate details of production and he was the man we went to for those details.

Q. Now did anything occur to you that you, did you feel or hear anything that indicated to you that Bill was or might be in agreement with these radical tendencies which you had noticed in his wife?

A. No it was just the opposite.

Q. Suppose you just tell the Board why you reached

the opposite conclusion.

A. Well, in the first place having known Bill before he was married and during his first marriage intimately and knew he was a conservative person. And then, at least the last year of his marriage, he used to come to work very much disturbed because of his wife's radicalism and the fact that she is arguing with him and trying to sway [fol. 342] him to it and because she has a lot of radical people in the house that he has no use for. I could see that coming before it happened but he would come in very much disturbed in the morning. And use swear words around the office about how people, how they bothered him, kept him up, argued all the time and he had no use for them. It wasn't any act with him, he was really bothered by it. He had a right to be by that time, I think.

Q. And when you say you saw this coming you mean you saw the divorce and the breaking up of the marriage.

A. Yes.

Q. Now Colonel, since the closing of the Second World War and the beginning of the Cold War and subsequently the Korean War, your company has been engaged in military work. I would like you to tell the Board what if any contribution Mr. Greene has made to that military work following 1947?

A. Well, if I may, I'd like to give one contribution he

made before that.

Q. All right.

A. I think it's significant why Bill was valuable to us and why we consider it would be a loss to us and to a small extent the Armed Forces to lose him. Foward the end of the war the Navy came to us to design a rocket launcher for aircraft. They had been either they, themselves or they had companies or a company working on it for something around a year and they were in an awful hurry to get one. We gave Mr. Greene the contract and in two weeks of twenty-four days he had the rocket launcher designed, built and on an airplane ready for testing and that rocket launcher passed the test successfully and was the standard Navy rocket launcher from then until the end

of the war and for several years after it. I don't remember exactly how many but several hundred thousand of them were built. Since the war, there has not been that much heat on anything but every job he had had and one significant one is the flight simulator, he had shown the same energy that he did on that one. The Navy put us into the flight simulator business. It sounds like I'm blowing the company's horn a little but I think I ought to tell you this. The Navy came to us and asked us would we like to [fol. 343] build flight simulators, well, we said, we have no knowledge of flight simulators or of electronics. They are very complicated electronic gadgets. They are the most complicated chain of gadgets that there is in the world. We couldn't understand why they came to us to build these things. And they said they knew that we had had no experience either in electronics or simulators but most people who were in electronics with the exception of three or four of the large companies like(!) and RCA seemed unable to do the production work even though they could produce a single simulator and our company had made a good record with the Navy for producing a single unit and then putting it into production and they thought we would be a good bet for them to try it out. Well it was kind of a tough decision to make because it meant going into a new line of engineering where we had no experience, and one that is supposed to be and is quite. a difficult line. Mr. Wells and I studied the problem first, looked-there was only one electronic simulator that had been built at that time-two. It looked so complicated to Mr. Wells who isn't an engineer, that he threw up his hands. He said he couldn't make any decision on anything like that. He left it up to me and I felt that if by that time Bill was our chief engineer, that if Bill was going to try it I was going to gamble the company's future on it too. Because if we had failed in it, we probably would never have gotten another Navy job of any consequence so we took it on and we produced our first flight simulator in fourteen months, whereas, the only two companies then building them, Curtiss and (Link) wanted two years with all their experience to do the same job and Mr. Greene was entirely responsible for that, he got together a group of

electronic engineers, whereas, he and he had to learn some electronics. I had to learn a lot less, but at least he was a good enough engineer to select Electronic Engineers, departmentalize the work and put out his first flight simulator in fourteen months. For your information a flight simulator is about as big as this room and it's just that much space crammed full with electronics. Electronic com-[fol. 344] puters, there are about fifty computers that are continually computing the equations of flight and feeding the answers into the instrument on the pilot's dashboard or to the stick in his hand. It's just unbelievably complicated, and has, at least, thirty miles of wire in them and over a hundred thousand different pieces. That's quite a project and Bill deserves a lot of credit for having done the first one and in little over half the time that the other two companies, already in the field with experience wanted to do it. Nobody else has ever done it in fourteen months from then on, so far as I know.

Q. Do you have any other examples of instances were he contributed to devices that are useful in the—

A. Well he has one very good idea that he gave to the Navy, whether they have done anything with it, I don't know. So far as I know they have not but in my opinion it is an excellent idea and I would rather not talk about it even here unless you instruct me to.

Chairman: I don't think it's necessary, we'll just take the facts that it's something important.

A. It's something quite important.

Chairman: Mr. Scanlon has reminded me if it's something that either is or might be classified we should keep that off the record because a copy of the record will be given to the attorney and will not be classified, so—

A. Well I would say . .

Mr. Berueffy: I assume this a general rule and not that you don't think I can handle classified material.

Chairman: That's the general rule, Mr. Berueffy. The record will note that there are some important ideas or idea which has been given to the Navy and which you think

is of great value. We aren't technicians either so I don't think it'll make much difference one way or the other. We'll

just take it as a good idea.

Mr. Berueffy: Well now, Col. Berliner, I think it fair to summarize your testimony in the last few answers. At least indicating that Mr. Greene is a good engineer and has a contribution to make. But let me ask you this, even as a good engineer as he is, you wouldn't want him around your plant unless you felt that he was loyal and was a [fol. 345] person who could be employed with perfect faith in the security of (interruption)

A. If we didn't believe implicitly in his security; we certainly wouldn't want him around.

Q. As the fact that you're here is in itself an indication

that you do have that confidence.

A. I took some trouble to form the opinion as to the point that was brought up the first time. I took some trouble in investigating it myself to show myself that I wasn't being swayed by just having known him a long time. I made a separate investigation myself to find out whether, in my opinion, he was a security risk. I satisfied myself in making an investigation even though knowing him I felt that an investigation wasn't necessary, I made it anyway.

Q. I think that's all the questions I have at the moment.

Chairman: Mr. Scanlon?

Mr. Scanlon: Col. Berliner, I would like to direct your attention once more to these contacts that Mr. Greene had with the Soviet Embassy representatives. You indicated sir, that you had full knowledge of all his contacts both before they were made and after they were made?

A. I think I had, as far as I know I had.

Q. Can you tell us sir, just how these initial contacts

with the Soviet Embassy was?

. A. I believe initially I instructed Bill to get in touch with their Attache to see if they might be interested in purchasing the Schwartz propeller.

Q. Do you have any idea how he went about doing that?

How he went about making the contacts?

A. I can't remember them in that much detail, sir, I'm sorry but I just don't.

Q. But you feel sir that his official contact was made at your suggestion, is that correct sir?

A. I'm sure it was made as a result of a conversation between Bill and myself. We were talking about possibilities—of general possibilities of the Schwartz Propeller?

A. It is possible. If he had them, I feel sure he would have told me and he may have, when you go back as many years, he may have said, well I know somebody down there and I may have said, well by all means go on initiate talk, [fol. 346] I just don't remember but I know I instructed him to conduct negotiations if he could.

Q. Now what I'm trying to get at Col. Berliner; is whether or not your using Mr. Greene to accomplish selling the Schwartz Propeller to the Russian government might have been based upon the fact that you knew he had these

contacts already.

A. No, I did not, no. All I can say is that that is not my recollection of it at all. In fact, I believe, now and again say that it's a hundred per cent, I believe I had the first contact with them, that I went to one of the States reception where they had thousands of people, and met the Russian Air Attache, a Lieutenant Colonel (forget his name it was a long one) there and I believe I am not sure but I believe that it was before Mr. Greene had any contacts with him then. I won't swear to that, but I think so.

Q. When is your recollection of Mr. Greene's first con-

tact with the Russian government, about when?

A. I just can't give you the year or month on that. I went over all the correspondence that I have I might be able to find it out for you, but I wouldn't try to give it from my recollection.

Q. You couldn't relate it to any events connected with your production during the period, the fact that you were or were not producing the Schwartz propellers at the time?

A. I didn't get it quite, sir.

Q. Could you relate it to some specific period in your production such as whether or not you were making Schwartz propellers at the time?

· A. Well we were not making—I am quite sure at the time that we approached the Russians, we were not making the Schwartz propeller any longer. We may have been

but my recollection is—I'm trying to hook it on to some-thing—it's awfully hard to go back that many years.

Q. Well, I'll pass that Colonel Berliner, I wanted to find out if you could, but not unreasonably, but if you can't—

A. I can't give you a definite answer. My recollection is that if I were to estimate on it I would say that we approached them either after we had stopped making the [fol. 347] propeller ourselves or close to the end of that period.

Q. Did you making the propeller yourself around 1941?

A. Again I'd better beg off, I just—my memory isn't that good, I thought it was—not it was not '42 because I went into the Army Air Force in 1942.

Q. Just when did you stop-

A. We must have stopped making the propeller around '44 I guess.

Q. You discontinued making the propeller about '44.

A. I think so now that I mean, because I'm trying to hook it up to my being in the Air Force and then getting out and coming back.

Q. When you were in the Air Force Colonel, were you

physically located in or near Washington?

A. Near Washington?

Q. Yes, sir?

A. Only for a couple of months. The headquarters of the Eighth Air Force was Bowling (Bolling) Field, it was within a week after I got into the Air Force. I was sent to Florida to test the gun turrets that were going to be used by the Eighth Air Force.

Q. Would you give me again the date that you went into

the Air Force, Colonel?

A. I think it's March 30, 1942.

Q. I know it's in the record but I failed to make a note of it. I don't have it here.

A. I think that's correct.

Q. I didn't want the exact date so long as I could pin it down to the approximate month. It was approximately in March '42?

A. March or April 1942.

Q. And you left Washington shortly thereafter?

A. Yes sir. I left Washington for a period of approxi-

mately a month and then I came back and was stationed in Washington for about a month or possibly two and then I went overseas. What I was going to say is, the Head-quarters of the Eighth Air Force until they went overseas, with Bowling (Bolling) Field near Washington.

Q. And you went into the Air Force approximately in March 1942, you went to Bowling (Bolling) Field within

a month?

A. Well I went immediately to Bowling (Bolling) Field but then I was sent to Florida from there.

[fol. 348] Q. Then you returned to Washington about what time?

A. I returned to Washington in May and left Washington sometime, I believe in June, for England. I'm pretty sure of that.

Q. You returned to the United States about when?

A. I returned to the United States in about May or June of '43. I was then stationed at the Pentagon in the file section although I wasn't able to work more than a half-day.

Q. Now Colonel, now that we have established the dates I would like to get a little bit more on the relation of those dates to when Mr. Greene made his contact with the Russian Embassy concerning his Schwartz propeller? Was that before you returned to England or just before you went into the Air Force that he began making those contacts?

A. I am quite sure it was after I got out of the Air Force. I'm quite sure about it because—I tell you I want to plead one thing, one of the things I had in England as a result of my loss of the arm was meningitis. It didn't leave my memory impaired badly but it did leave me where I'm not wiling to guarantee my memory too much for exact dates. I'd rather look things up than tell them to you offhand. As I recall it, it was after I got out of the Air Force that this contact was made. I'm quite sure of that, but if you like I'll be home tomorrow I'll be glad to inform you.

Q. Perhaps Mr. Berueffy or Mr. Greene may want to go into that tarther later on. I'll leave it with your recollection being that he made his initial contact with the Russian Embassy to your knowledge after your release

from the Air Force.

A. Yes.

Q. Now I'd like to get on to the question of Jean Hinton Greene for a moment, Colonel Berliner. You testified that she visited your home on one occasion with Mr. Greene? Without trying to give me an exact date sir, could you place that as approximately when she visited your home?

A. I would say it was fairly early in their married life,

it was obviously prior to 1942.

[fol. 349] Q. They were married in December '42, Colonel?
A? I beg your pardon?

Q. They were married in December of 42?

A. Married in December '42. What I meant was I—that just goes to show my memory I thought it was before I went into the Army, it could have been. It must have been—it was shortly after, I would say within a year, within two years certainly of when they were married. If they were married in '42 it was before '44.

Q. You learned that fairly early in their marriage that

Jeane Greene was in your opinion a radical?

A. She had radical ideas, yes, sir May I say a final one thing?

Q. Yes sir.

A. I was quite a lot older than Mr. Greene or Mrs. Greene
—Jean and things that seemed radical to an older person
might not seem as radical to a younger one, but I don't
know. I know I was more radical at college than I am now.

Q. I wonder, Colonel, if you would tell us as well as you can recall now just what there was about Jean Greene that

gave you the impression that she was radical?

A. Well it was simply she immediately, I say immediately, it only took a few minutes, about how they were trying, and how the labor unions had been held down and how they should be given every advantage. That is the principal thing that I remember—the way we differed. She felt labor should have everything and the employer should have absolutely no rights. I felt the employer should have a few rights.

Q. Your definition of radicalism then is not necessarily synonymous with being a communist, is that correct sir?

A. That is correct, yes, I didn't expect as I say, it seemed to me even at that time that her arguments were the Com-

munist line, but I couldn't have called her Communist with any certainty at all. I could have called her a radical.

Q. Col. Berliner is that the only occasion that you really

had a meeting with Jean—that visit in your home?

[fol. 350] A. As I remember that's the only time I met her to talk to at any length of time.

Q. Your impressions of her were based principally upon

your observations of her on that one occasion?

A. Not entirely, no. I can remember Mr. Greene coming to the office and I can remember in discussions we have had where Mr. Greene would quote his wife Jean, and say, well my wife says so and so. I don't think it was ever his own opinion but he just tossed that into the hat to start a good argument or something. I also gathered an opinion of her from those things.

Q. Did he ever seem to be influenced by those opinions

himself?

A. I beg your pardon?

Q. Did he ever seem to be swayed or influenced by those opinions himself?

A. He didn't seem so to me.

Q. He just parroted some of the opinions of his wife?

A. Yes, if it had been his opinion he would have stated so, he's not afraid to state his own opinion if he has a conviction. And the fact that he said that it was his wife's opinion, showed me that he didn't believe in it, at least not then.

Q. I would like to refresh your recollection just a little bit, Colonel, do you recall in November 1951 when you were interviewed by special agents of the Federal Bureau of

Investigation concerning Mr. Greene?

A. Relative to Mr. Greene?

Q. Yes.

A. Yes sir.

Q. At that time you characterized Jean Greene as being a person who had a mission to serve for the Communist Party!

A. I beg your pardon, I didn't hear that.

Q. You characterized Jean Greene as being a person that had a mission to serve for the Communist Party, is that your opinion of Jean Greene?

A. I don't remember the exact expression but I certainly, as I say was and may have been doing her an injustice, the only time I met her I felt she was that type of person. I didn't say that I could prove it by her words because her words were simply radical words but I felt that that was true, yes.

[fol. 351] Q. Colonel, this investigative report further quotes you as saying that you based this opinion on the fact that in her conversation she followed the Communist Party line by finding fault with American Institutions opposing the American Capitalistic system and finding nothing but praise for the Russians in everything they attempted to do?

A. I don't remember that but if that's the statement I made at the time, I'm sure it was true. I mean I didn't make it up, it must have been more than a conversation that I can now remember.

Q. Well Colonel Berliner, do you know whether any of the other persons about you might have had opinions of Jean Greene similar to yours that is that she was either a Communist or a strong pro-Communist?

A. Do I know of anything....

Q. Did you know of whether any other people around

you shared the same opinion of her?

A. The only people I know who knew her would be people you have talked to or are going to talk to. I don't believe I ever discussed it with them because there was no reason to. I just said right away that she seemed to me pro-Communist, but I didn't go around discussing it with other people. I wasn't that much interested in her because there was no necessity for being at that time. There was no threat of Communism to the United States. So I never discussed it until I went up and talked to the FBI as far as I can remember. I may have discussed it with my wife but that's about all.

Q. Now Colonel, beginning about 1946 and continuing from '46 through the termination of Mr. Greene's first marriage, we definitely were in a period of strained relations with Russia. There was no question in the generally informed mind that Russia was a potential enemy and considered so. So during that time if anything had come to

your attention concerning Mr. Greene's acceptance of his wife's ideas, would that have left a strong impression on you?

A. Oh a very strong impression. In fact by that time I was beginning to get discouraged just about her, that is to say by him being married to her. But that wasn't until

they showed signs of busting up.

[fol. 352] Q. Now also during that period that I have reference to it began to come more and more to your attention possibly through conversation with Mr. Greene, that she was having friends come into her home that seemed to share her Communist ideas. Is that correct sir?

A. She had radical ideas I thought they were Communist but I'm sure they were radical. Yes, sir, that's correct.

Q. Did that indicate to you, at that time, that it might be risky business to continue to permit Mr. Greene to have

access to classified information?

A. No, sir, because he was—at that time he was not under her domination to any extent in my opinion, that she couldn't have wield anything out of him. I'm sure she couldn't. He's very security minded and I never had any fear. I had some fear at that time as to how it would look to people if they—but by that time, I was sure they were going to be divorced.

Q. Were you aware at that time, Col. Berliner that Mr. Greene was actively entering into business relationships

with some of these radical friends of hers?

A. No, sir, I did not know that.

Q. You had no knowledge of that?

A. I didn't know they were radical, I think if you're referring to his house building activities, he was working on an aluminum house doing some of the(?)....... and design. I knew of that, I did not know that the man or one of the nien in it was a suspected or known Communist.

Q. Were you aware of the fact that Mr. Greene's business

partner was one of Jean's radical friends?

A. Was one of her friends?

Q. Yes sir. I refer specifically to Mr. Sasuly.

A. I am not sure I was aware of it at that time. I believe I only became aware of it a good deal later. It's a little difficult. I am sure that if I had been aware of it at that

time as late as '46 that I would have been disturbed and put

a stop to it. Had I been aware of it at the time.

Q. Were you aware that during this same period he had bought stock and was an officer in the Metropolitan Broadcasting Corporation that operated a radio station WQQW in Washington?

[fol. 353] A. Yes, sir, I presume that's the station. I knew he told me he had bought stock in F. M. station, that's all I knew about it. I didn't know then, I know now that it was

a radical station.

Q. You say you know now it a radical station, but you didn't know then.

A. So far as I knew to my personal knowledge I had no knowledge about it at all. But if you tell me it is I'm sure its so. I don't recall having had that knowledge before.

Q. Were you aware that during this same approximate period that Mr. Greene was accepting business engagements of a consulting nature from Mr. Lauchlin Currie who has been since identified as Soviet Espionage agent?

Mr. Berueffy: I don't want to interrupt to tell you what Mr. Currie has been identified as. The record is quite clear that he has been identified as somebody that the Silvermasters were connected with.

Chairman: Mr. Berueffy, I don't want to interrupt either except this, I certainly think it is proper to ask whether the witness knows that so and so has been identified as a Soviet Espionage agent. If he doesn't know, fine. Now our information is a lot different from yours. Nothing is improper in asking him whether he knows that so and so is an espionage agent or has been identified as an espionage agent, he might say no, he might say yes, but he's certainly constrained if he wants to answer the question to answer it in the way that he knows.

A. I'll answer the question, I didn't know he had any connections with Currie at all. I still don't know. I mean nothing came to my attention about it that I recall, let's

put that in.

Mr. Scanlon: I have no further questions Col. Berliner, thank you very much.

Chairman: Captain Singer?

Capt. Singer: I have no questions.

Mr. Simms: No questions.

Chairman: Now Mr. Berliner, I think that in your examination this morning you stated that you were rather disturbed when the clearance was denied and charges were [fol. 354] given out against Mr. Greene from a security standpoint.

A. You mean first time?

Chairman: The first time, yes sir. And I think you said that you then caused a separate investigation to be made.

A. I made it myself.

Q. Would you give the Board the benefit of what in-

vestigation you made.

A. I'd rather not because it would be violating a confidence. All I can say is that I assured myself that the people who knew more about it then I did, tell me that it's alright I just don't feel I have the right to reveal it. The information told me in secret and I don't feel I have the right to divulge it.

Q. Will you let me ask you this Mr. Berliner, do you think that whatever investigation you made might be help-

ful to help us in the investigation that we made?

A. Yes sir, I feel that it was and I suggested it. I suggested it to the Bureau of Naval Intelligence that they make the investigation and I don't think that they chose to do it.

Q. I have no further questions.

A. I mean I put my information at the disposal of the Government. It's a government source, obviously and I just don't feel I have the right to divulge that but I did talk to the Bureau of Naval Intelligence and asked them to make the same investigation that I had made. Having done that once I just having risked divulging what I feel was a confidence. I just feel if I do it again I might get the person into trouble that I talked, but I did suggest to them that they do the same thing that I did.

Q. Let me ask you this. If you want to answer me, the investigation that you made was separate from any government source, is that right or was the government source

involved.

A. I'm afraid if I answer that question it will give away the source. But I do want you to understand that I wasn't satisfied to take my opinion of Bill. I was a hundred percent sure that he was alright but I did go to the extent of fortifying my own opinion by asking some others.

Q. Well Mr. Berliner, don't you think I'll just ask this [fol. 355] once more and then I'll desist. Don't you think that it would be in the best interest of both the Government and Mr. Greene if there is any information that you have either favorable or unfavorable to Mr. Greene, that we have the benefit of it in deciding this matter.

A. I think you should have, sir, and that's the reason I

made the statement to the Naval Intelligence.

Q. Is it your contention then that we do not have all the

favorable information which will be developed?

A. I'm afraid this will give away the source. But I'll say that you have the information that I have but you haven't the opinion. You have exactly the same information, you have more, I mean I don't even have all the information that you have but I've got the opinions where you just got the information.

Q. I see. Think you Mr. Berliner.

Mr. Berueffy: Now Mr. Berliner, I just want to ask youone question. Mr. Seanlon quoted to you from your statement to the Federal Bureau of Investigation that Jean was opposed to the capitalistic system that she was pro-Russian. At any time did Mr. Bill Greene, that is, anytime that you would know of from the time of the marriage up until this day, did Mr. Greene indicate any agreement with opposition to the capitalist system.

'A. No, sir, not in any time since I've known him, since 1937.

Q. And did at any time, he praise the Soviet Union other than possibly during the first war period they were our Allies and he might have so regarded them, but did he ever praise the Soviet union unduly or to extreme?

A. To my recollection, no, he did not.

Q. Without trying to pin you down to the exact date, do you recall when some of these people were mentioned in the newspaper unfavorably, some of Jean's former ac-

quaintances like Silvermaster etc., do you recall that incident?

A. There have been several incidents.

Q. Well I'm referring to the first only.

A. I don't recall anything about the first one particularly the first one that I saw, as a matter of fact, the first one [fol. 356] I didn't see myself but somebody told me about it. I think Mr. Well as I recall.

Q. Did you talk with Bill at that time or did he come

to you and talk with you about that.

A. Again you got me hazy on dates but at one time he came to me about it and I'm quite sure it was about those particular people, and I think I said to him at that time, I remember making this statement, and I think and I think that refers to these specific people that if he had any definite information he ought to go to the FBI with it.

Q. Did you ever have the feeling that there was anything about Bill's social acquaintances or home life that he was

concealing from you?

A. Welt, I just had no feeling one way or the other about it because I never discussed it with him particularly until long after these things happened, I mean after he was taken off security. Then I discussed the whole business very fully but prior to that I don't recall discussing it with him.

Q. Well you do recall when he was working on the aluminum houses?

A. Yes. I certainly didn't know and I'm quite sure that he didn't know that the person that he was working with was an agent or might be an agent, or was a pro-Communistic. I know I didn't know it.

Q. Well, do you have any recollection of his attempting

to sell ERCO machinery to this pre-fab?

A. Oh yes, that was one of the reasons we let him do it. You see before a person can do any outside work, he has to receive permission from the company and we had two reasons for letting him do outside work. One was at that time, we weren't doing too well and gave him a chance to augment his salary. What he was getting wasn't the salary he should get. The other reason was that we thought he

might sell and he did—some riveting equipment that we build. I'm quite sure he did sell some.

Q. I guess that's all.

A. May I make one more statement? I want to say that I had a man who got us a very good contract, the contract I spoke about, up in Canada. This man, I felt after having [fol. 357] gone around with him and listened to him, I suspected him of not being quite right. And in spite of the fact that he helped us a great deal, that has nothing to do with it, I furned him in to the FBI. At first they said he was alright, but a month later they came back and said they found he was an agent. I think he was a Nazi at that time, this was during the war. I just want to say that friendship and business status has nothing to do with that if they are against the United States, you turn them in if they are the best friends you have. And I would have no compunctions about turning Bill in if I felt there was any reason to suspect Bill or Mr. Burgess or anybody in the place. I hope you people realize that.

Mr. Berueffy: Thank you very much.

Chairman: The Board will adjourn for lunch, it's 12:40, we'll reconvene at 1:30.

1:30 (next witness introduced)

TESTIMONY OF EDWARD DAVID BURGESS

Chairman: You came as a witness for Mr. Greene? Mr. Burgess.: Yes.

Chairman: Mr. Burgess, do you solemnly swear that the testimony you are about to give in the case now in hearing shall be the truth, the whole truth and nothing but the truth, so help you God?

A. I do.

Chairman: Will you state your full name and address for the record please?

Mr. Burgess: Edward David Burgess, 19 Rebel (Revell)
Street, Annapolis, Md.

Mr. Berueffy: Where are you employed?

A. Engineer & Research Corporation.

Q. How long have you known Mr. William L. Greene?

A. I met Mr. Greene in 1937 or '38 I'm not sure which.

Q. And what were the circumstances under which you became acquainted with Mr. Greene?

A. I met him in a boat yard down in Annapolis where we both have boats.

· Q. Well at this time were you working at ERCO?

A. No.

[fol. 358] Q. Where did you work?

A. District of Columbia-Government.

Q. How long have you worked with Engineering & Research Corporation?

A. Since August 1950.

Q. Did Mr. Greene employ you there?

A. Yes he did.

Q. And before that where did you work?

A. I was self-employed.

Q. In what kind of occupation?

A. Naval architecture.

Q. Did you know Jean Hinton Greene?

A. No I never met her.

Q. Now, you met Mr. Greene in '37 or '38, did there come a time when you were not acquainted with Mr. Greene?

A. I left there in 1940 and I didn't come back until '46 and I didn't meet Mr. Greene again, I guess, until 1948.

Q. You know Mrs. Dorothy Greene?

A. Yes, I do.

Q. Will you tell the Board briefly how well you know Mr. Green

A. Well, since 1948 at which time I designed a boat for him. We've been in constant contact and done a lot of our recreation together—taken up most of our leisure time.

Q. And what was that recreation?

A. Sailing.

Q. While you've been with Mr. Greene on these sails and working around the boats etc., have you ever discussed politics with him?

A. In the normal manner not in any great detail.

Q. Have you had a chance to form an estimate or an opinion of what his political viewpoint is?

A. Well it corresponds to my own which is certainly not

radical in any way. As far as belief in democracy is concerned, we both hold that one hundred percent.

Q. Now since you became re-acquainted with Mr. Greene in 48 are you—have you visited in his house?

A. Yes.

Q. Are you in general familiar with his friends and his associates?

A. Yes.

Q. Generally what kind of people do they seem to be?

A. A good many of them I think were connected with Army and Navy or Engineers, and the rest of them they're [fol. 359] normal people in every respect.

Q. Predominantly people that work at ERCO would you

say?

A. The persons at his house have been at least . 50%

ERCO employees.

Q. Now I'm going to read you a list of names, let me read the list over and then you tell me if you have ever met or if you know any of the following people: Mr. and Mrs. Nathan Gregory Silvermaster, William Ludwig Ullman, Richard Sasuly, Elizabeth Sasuly, Bruce Waybur, Miriam Waybur, Martin Popper, Madelene I. Donner, Russell Nixon, Isadore Salkind, Samuel J. Rodman, Shura Lewis, Owen Lattimore, Ed Fructman, Virginia Gardner? Do any of these names call to mind people that you have seen at Mr. Greene's house?

A. I have seen none of them at Mr. Greene's house.

Q. In what connection with your work in Engineering and Research Corporation have you had occasion to observe Mr. Greene's attitude with respect to security regulations?

A. Yes, I have.

Q. Have you had occasion to observe the attitudes of that plant and other plants with reference?

A. Yes, I have.

Q. How did Mr. Greene's attitude toward security regulations compare with that of other people that you have run across in similar plants?

A. Mr. Greene's attitude was much tighter than the average, in fact, our customers even remarked on that—

government customers remarked on that.

Q. In the time that you have known Mr. Greene, has he

ever done or said anything to indicate to you that he has any Communist leanings?

A. No, he never has.

Q. Has he ever expressed an attitude with reference to the capitalist system?

A. I'm not sure whether he has or hasn't, he has never said anything derogatory about it, I can tell you that.

Q. Now what was his attitude toward Russia, has he ever made an expression on that either by work or by action.

A. He probably has but if he had remarked anything in favor of Russia I would have remembered it.

[fol. 360] Q. You're sure you would have remembered it?

A. Yes.

Q. Now, you talked with other people that knew you and Mr. Greene?

A. Yes.

Q. Generally, what would you say his reputation with regard to his loyalty and his trustworthiness was?

A. His reputation is that of being very trustworthy.

Q. And did that reputation maintain even after the first time when he was suspended as a security risk?

A. Yes it did, as a matter of fact, I've heard people say: of all people to question, Bill is, in their opinion, the least likely to be.

Q. I think that's all the questions I have.

Chairman: Mr. Scanlon?

Mr. Scanlon: Mr. Burgess, did I understand you to say that you had no personal contact with Mr. Greene during the period from 1940 to 1948?

A. '41 to '48, yes sir.

Q. Did you also say that you had never met his wife, Jean Hinton Greene?

A. Yes, I said that.

Q. You had no contact with him during the period of his first marriage?

A. No, none at all.

Q. I have no further questions sir.

Capt. Singer: I have no questions.

Mr. Simms: No questions.

Chairman: No questions.

Mr. Berueffy: Thank you. Would you ask Roy Stout to come in?

Mr. Burgess: Yes.

· TESTIMONY OF HERBERT L. STOUT

Chairman: The witness' name Mr. Berueffy?

A. Herbert L. Stout.

Q. Mr. Stout did you come as a witness for Mr. Greene? Will you raise your right hand and be sworn please? Do you Mr. Stout solemnly swear that the testimony you are about to give in the case now in hearing shall be the truth the whole truth and nothing but the truth, so help you God? [fol. 361] A. I do.

Chairman: Will you state your full name and address for the record, please?

Mr. Stout: Herbert Leroy Stout, 809 Orchard Lane,

Silver Spring, Maryland.

Counsel: What is your occupation, Mr. Stout?

A. Plant manager.

Q. At what company?

A. Engineer & Research Corporation.

Q. How long have you been employed by Engineering & Research Corporation?

A. Twenty-three years.

Q. And that means you were employed about 1931?

A. '31.

Q. Do you know Mr. William L. Greene?

A. I do.

Q. How long have you known him?

A. About eighteen years, I think.

Q. Did you become acquainted with him when he first came to work for ERCO?

A. He was just out of college just when he came to work there.

Q. Those early days when you first knew him, what were his interests?

A. Very much interested in the work that we were doing, in developing work and aside from work—principally outdoor sports.

Q. Did you know his first wife, Jean Hinton Greene?

A. I couldn't say that I knew her personally, I met her on about two occasions.

Q. Could you tell us briefly what kind of occasions they

were?

A. Very informal. I think one occasion was a sailing trip I was invited to go on, an afternoon sail; and another time was an out-door outing. They were going camping over a week-end and I met them.

O. Do you know Mrs. Dorothy Greene, his present wife?

A. Very well.

Q. Now at one time Mr. William Greene and Mrs. Dorothy Greene lived at Paint Branch Farm, geographically where is that located with reference to Orchard Lane where you live?

[fol. 362] A. I'd say approximately a half mile.

Q. And while they lived at Paint Branch did you visit in their home?

A. I have been in their home there and they have been in my home.

Q. Did you ever attend a meeting in Mr. Greene's home?

A. I did.

Q. What was the meeting?

A. A Citizens Association meeting of which Mr. Greene was an officer.

Q. That would be of people who lived in and around-

A. In the community. A Citizens Association that covered the Paint Branch area.

Q. In general what does a Citizens Association do?

A. For the betterment of the community in which they live—organizing to bring about better conditions for the community.

Q. Did you know people who lived in that community and knew Mr. Greene!

A. I knew quite a few.

Q. What is his reputation among the people with whom he lived and with whom he associated in business with particular reference to his loyalty to the United States and his political viewpoint?

A. Well, I've never heard anything other than he's very

well thought of in the community.

Q. Now, going back to those days and must have particular reference to the early '40's when Mr. Greene was working on the Schwartz propeller, were you associated with him at work then?

A. He was the engineer on the propeller job and I was foreman in the factory at that time.

Q. Did you work with him?

A. Very closely.

Q. Did you have occasion to make trips with him?

A. We made several trips—New York City; Montreal, Canada.

Q. So that in this period you were with him a good bit when you were away from the plant and where there were just the two of you together?

A. That's true:

[fol. 363] Q. And on any of those occasions did he ever discuss political issues with you?

A. Never, that I recall.

Q. What did he discuss with you?

A. Well, naturally the business that we were to perform where we were going and aside from that, our interests were quite mutual. We talked of things we liked to do outside the plant like sports, sailing, camping, hiking and what not.

Q. And hunting?

A. Oh, yes, that's my side of it.

Q. He was interested in dogs and you were interested in dogs, for instance?

A. Yes, we both raised dogs.

Q. Now, as you worked with him in the plant, have you become acquainted with his attitude towards security regulations?

A. Well, that is, as definitely as I can answer that, I recall on many occasions, when visitors were in, he was probably one of the first to point out to us—ask the question: are they with someone or who are they and at any time drawings were left lying around, he'd immediately scrutinize them and reprimand anyone that had left them lying around if they were of a security nature or confidential nature thing. He highly stressed that at all times. We had a lot of work there, of course, that warranted it.

Q. Now, you've known Mr. Greene over a period of seventeen years, I asked you previously if you knew his reputation, have you formed a personal opinion about his loyalty and trustworthiness?

A. I have.

Q. What is that opinion?

As I, personally think he's a good American and stands for everything that's absolutely right. I've never heard otherwise to change my opinion—never observed otherwise.

Q. So that you've never heard Mr. Greene say or do anything or you've never heard anybody report that Mr. Greene had said or done anything which would cause you to doubt his loyalty to the United States?

A. I haven't. .

Q.4After Mr. Greene was originally suspended on the

security charges, was it discussed in the plant?

A. It had come as a great shock to the personnel in the plant. They just couldn't believe there was any connection [fol. 364] whatsoever, from the ones that had had close contact with him and worked with him.

Q. Would you say that was a fairly unanimous opinion?

A. Absolutely.

Counsel: I think that's all I have now.

Chairman: Mr. Scanlon?

Mr. Scanlon: Mr. Stout, you stated that you were greatly shocked to learn that Mr. Greene's clearance had been taken away from him because he was deemed a security risk. Did you know the reputation of his first wife, Jean Hinton Greene?

A. No, I did note.

Q. Did you know Jean Greene at all?

A. As I stated I met her on two occasions but I wouldn't say that a casual acquaintance like that would give anyone an opportunity to know them.

Q. You never heard anything at any time that would

reflect adversely on her loyalty?

A. I never heard.

Q. Nothing ever came to your attention to cause you to suspect she might have been a Communist?

A. No.

Q. Were you a close friend of Mr. Greene's during the period of his first marriage?

A. Just in the plant.

Q. You had no social contacts with him?

A. None whatsoever.

Q. What was the relationship between you and Mr. Greene as regards your official positions in, let us say, 1942? Was he your superior or were you his superior?

A. Well, no, he was in the engineering department and I was a shop foreman at the time. He was a project engineer on the propeller project we had.

Q. That was on the Schwartz propeller?

A. That's right.

Q. Was that propeller in actual fabrication all during 1942?

A. To the best of my knowledge it was, yes.

Q. When did you suspend operations on the Schwartz

propeller?

Russians?

A. It was probably '44 just before the war ended, shortly before the war ended, because they were trying the blades and we didn't continue on after they had ample.

[fol. 365] Q. Are you familiar with any efforts that Mr. Greene may have made to sell this propeller to the

A. None whatsoever.

Q. You never heard about that. I have no further questions, sir.

Chairman: Vr. Stout you testified that you had met the first Mrs. Greene on about two occasions?

A. That's to the best of my recollection, yes.

Q. And I believe you said that you had met the present Mrs. Greene on numerous occasions?

A. Yes, I have.

Q. Now, for your information, Mr. Greene was married to the first Mrs. Greene for approximately five years and he was married, he had been married at the time of his denial of clearance, he had been married to the present Mrs. Greene for approximately five years, can you tell this Board why it was, if there is any reason for had met the first Mrs. Greene on two occasions and you met the present Mrs. Greene on several occasions, when as a

matter of fact they both had been—he had been married for the same length of time to both, namely, five years. In other words, there isn't any significance attached to that?

A. Well, the only one I can think of is that he moved in my neighborhood; became one of us in the community; we were closer in that respect.

Q. There's no significance to it other than the fact that he moved into your neighborhood during his second mar-

riage?

A. That's right.

Capt. Singer: I have no further questions.

Mr. Simms: No questions.

Chairman: Mr. Stout, I think that in answer to one of Mr. Scanlon's questions, you said you didn't have any information as to the political views of the first Mrs. Greene, Jean Hinton Greene?

A. That's right.

Q. You didn't know one way or the other anything about her. Will you tell us if it came to your attention through Mr. Greene, did he ever talk to you about his wife's political views?

A. No.

Q. He never did. He never told you that she was either [fol. 366] a radical or wasn't a radical or anything of that type?

A. No, he did not.

Q. Never came up in the conversations that you had with him?

A. That's all I know.

Chairman: I have no further questions.

Capt. Singer: I have one more question. Mr. Stout, you said you were shop foreman, did you not, during the period of '42 to '47?

A. That's right.

Q. And he was a project engineer or at least he was in the engineering branch of the ERCO?

A. That's right.

Q. Now, did you have, in your business relations with him, any contact between you and Mr. Greene?

A. Constantly.

Q. You were in constant contact?

A. Daily.

Q. And during these daily contacts that you had with him, he never discussed his wife or her views or anything at all?

A. No, sir.

Q. He had nothing at all to say about his wife?

A. No, sir.

Capt. Singer: I have no further questions.

Chairman: Mr. Berueffy?

Counsel: I have no further questions.

Chairman: Thank you Mr. Stout.

Chairman: Who is the next witness, Mr. Berueffy?

Mr. Berueffy: His name is Norman Hubbard—HUB-BARD.

TESTIMONY OF NORMAN A. HUBBARD

Chairman: Mr. Hubbard did you come as a witness for Mr. Greene?

Mr. Hubbard: That's right.

Chairman: Will you raise your right hand and be sworn, please? Do you, Mr. Hubbard solemnly swear that the testimony you are about to give in the case now in hearing, shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. Hubbard: I do,

Chairman: Will you state your full name and address, please?

Mr. Hubbard: Norman A. Hubbard, 7103 13th Avenue,

Takoma Park, Maryland.

[fol. 367] Counsel: Where do you work Mr. Hubbard?

A. At Engineering and Research Corporation.

Q. What is your position there?

A. I am assistant chief engineer-electro-mechanical.

Q. When did you first go to work for ERCO?

A. October 1940.

Q. When did you first meet Mr. William L. Greene?

A. I met him in 1941 at the time he came to ERCO after having been working somewhere else for a short time.

Q. After you first went to work at ERCO in 1940, how

long did you work there?

A. I left in January 1942.

Q. Between 1941 and January 1942, that is, between the time you met Mr. Greene and the time you left ERCO, did

you have any social acquaintance with him?

A. Yes, I did have some. In addition to knowing him at work, I knew him at Annapolis where I was working with another associate—the company there. We were building a glider at a shipyard in Annapolis and Bill Greene was interested in boating and came down there and I went sailing with him a couple of times from Annapolis.

Q. After January 1942, where did you work?

A. Well, first I worked for EGA Aviation which is outside of Philadelphia, Pennsylvania, and that was later known as G & A Aircraft and then Firestone Aircraft. From there I went into the Navy where I was an aviation cadet until I went on inactive duty in October 1945, at which time, I came back to ERCO.

Q. Now, between January '42 and October \45 did you

see Mr. Greene?

A. I saw him just once. That was in connection with business. We were building an auto-gyro at this G & A Aircraft and we used a propeller built by Engineering & Research Corporation and he made a business visit there in connection with our use of that propeller.

Q. And he looked you up on that occasion—got in touch

with you?

A. That's right.

Q. Now, when you returned to ERCO in 1945, did Mr. [fol. 368] Greene have anything to do with your employment there? Did he hire you?

A. No, he did not. We were not working in the same portion of the engineering department in the plants I was working on the Ercoupe and he was working in a different group.

Q. Well, after that date did you see him?

A. Yes, I saw him around work quite often, of course, and I didn't see him very much outside of work at first,

largely because we hadn't become real close friends due to the fact that we weren't in close association at work but later on when we were both working on the same project, on an airplane, then I became more closely acquainted with him and did see him outside of work. Also at one point we were both, Mr. Greene was working in a consulting capacity for an outside concern and I did some work for him outside of work in that connection.

Q. Was that in connection with the aluminum pre-fab

house that General Homes was projecting?

A. That's correct.

Q. And what was the nature of the work you did on it?

A. I did a stress analysis for a wood(?)........ I. believe that was the only thing I did.

Q. Did you ever meet any of the people that were work-

ing on this-who were connected with this group?

A. No, I didn't. The work that I did on it was done in my home and I never met anyone else connected with it.

Q. Since his marriage to Mrs. Dorothy Greene, have you

been to his house?

A. Yes, on quite a number of occasions. He and his wife have become very good friends of my wife and I and we have visited back and forth quite frequently and I've had dinner at his house a number of times and he has at my house a number of times.

Q. Did you go sailing with him?

A. Yes, I've gone sailing with him on quite a number of occasions.

Q. Have you attended social affairs at his house?

A. Yes, several parties I attended at his house. In particular I remember a Christmas party at his home on Erskine Street and I recall another party at a home he [fol. 369] lived in later at Paint Branch Farms in Maryland.

Q. Describe in general what kind of people you met at these—

A. Well, the people were almost entirely ERCO employees and their wives. One exception that I can recall is Mr. Evan Fisher and his wife. I believe he worked for the Government.

Q. You don't know him except to-

A. I know him only through having met him at Greene's.

Q. Now, in the course of your acquaintance with Mr. Greene and Mrs. Greene, have you ever discussed any political issues?

A. Yes, I have very frequently discussed political issues about the same as I would with anyone else.

Q. So you had a chance to form an opinion of Mr.

Greene's political viewpoint?

A. Yes, well, exactly, I don't think I know exactly what

you mean by form an opinion.

Q. Well, the question was, could you form, had you had an opportunity, so you think you could form an opinion as to what he believes with respect to politics.

A. Yes, I do.

Q. Have you ever heard him discuss Russia or the Soviet Union?

A. Yes, on a number of occasions, I think.

Q. Tell the Board, in general, what he said about that particular issue.

A. Well, I don't think I can remember any conversations but the, in general, his feeling was that the System of Government which we have was superior to that which the Russians have. I have, I just can't remember any specific comment but that is my general impression.

Q. Did he ever say or do anything to indicate to you in your own mind that he was or might be pro-Russian?

A. No, definitely not.

Q. Now, let me ask you the same question but, did he

indicate that he was anti-Russian?

A. Yes, well, insofar as specific issues were concerned he has on a number of occasions, I'm sure, indicated anti-Russian sentiments.

Q. Now, have you heard Mr. Greene discussed among his colleagues at Engineering & Research Corporation?

A. Yes.

[fol. 370] Q. How big a group was there at the plant that you would say, I don't mean for you to count noses, but approximately how big a group was it that he knew well and knew him well?

A. I would guess maybe about ten people.

Q. And did they discuss him both before and after he was suspended from his work which date I would fix as approximately April of 1953, that's when he left the plant.

A. Yes, they did.

Q. Both before and after?

- A. Both before and after. They didn't discuss him any more than they would anyone else except for this security issue which came up, which then, of course, was the topic of discussion.
- Q. They did discuss the security issue. I mean whether he was a person that was pro-Communist, pro-Russian or—

A. Yes, they did.

Q. Did you ever hear anything that indicated that the people who knew him in the plant thought he might have been a security risk so far as they knew?

A. No, as a matter of fact, everyone with whom I have talked has felt that he was definitely not a security risk.

Q. Now, you've known Mr. Greene since '47 reasonably well, on the basis of your acquaintanceship with him, tell the Board what you've learned, in seeing him in his home and on the grounds of what you have heard him say about politics, etc., would you give us your personal opinion as to whether or not he was (well, you've already talked about the Russian) what his attitude towards the capitalistic system was?

A. My feeling is that he definitely prefers the capitalistic system inasmuch as it, well, for one thing, affords him a personal means of advancement in a way to acquire some degree of wealth for himself and also that he, the system as a whole, he thinks due to the effective competition is healthy for the economy of the country.

Q. Did you ever meet Jean Hinton Greene, his first wife?

A. I met her only once and that was at a wedding reception.

Q. So you had no opportunity to talk to her about all this?

[fol. 371] A. No, I talked to her on that occasion for just a moment hardly more than to say how do you do.

Counsel: I think that's all. Chairman: Mr. Scanlon?

Mr. Scarfon: Mr. Hubbard were you closely associated with Mr. Greene during the period between October 1945, when you returned to ERCO and the summer of 1947, when he separated from his first wife?

A. I would say that I was closely associated with him only during the last few months of that period, that is, I, of course, knew him all during that period but I was not in very close contact with him except during the last few months. That was during the period when he was carrying on this consulting work and then when he was put in charge, of the design of an airplane on which I was working.

Q. Would you say that during the early months of 1947,

that you were very closely associated with him?

A. Yes, during the early months of 1947.

Q. Both in a business relationship and a friendly social relationship?

A. Yes, except that the social relationship was,(?)...... I wasn't with him a lot of the time but I was, I did see him outside of work on a number of occasions.

Q. Was this relationship with him close enough so that you have some awareness of the growing estrangement

between himself and his wife during this period?

A. Yes, I did. Well, I was eating lunch with him, I believe, quite regularly during that period and we used to talk then quite a bit about things, of course, and I was aware of the fact that there was a disagreement there between he and his wife.

Q. Do you know the basic nature of this disagreement?

A. I understand from things that he said to me that it was because she had a somewhat radical political viewpoint which he did not go along with and that she was extremely desirous of carrying out a career in that regard. I believe he made the statement to me at the time he told me that she was seeking a divorce—that she wanted to go to work [fol. 372] for a union outside of Washington. I think it was Chicago, I'm not sure.

Q. Did he, during this period of early 1947, discuss with you manifestations of this radicalism on his wife's part?

A. No, not to any great extent. I do recall his discussing her union associations or interests and that is about the only thing that I do remember.

Q. He was, insofar as you could gather, was he opposed

to her activity in labor unions?

A. Yes, I believe he was, at least, I don't think he wanted her to carry out a career in that regard which would interfere with their married life.

Q. Was there anything else other than these difficulties between the two of them—in addition to the disagreement over labor activities?

A. Not that I know of. .

Q. So far as you're aware, there was no basic political

difference of opinion between the two of them?

A. Yes, well, I was tying the two together there, but I believe that is the case that they did not see eye to eye on political issues and that it was in connection with her political beliefs that she wanted to work for a union.

Q. What were her political believes as Mr. Greene made

them known to you?

A. Well, he never described them to me in detail but actually all that I know is that they were somewhat radical by normal standards and that she wanted to spend her time working in this labor movement.

Q. Did he ever give you any reason to believe that she

might be a Communist or strongly pro-Communist?

A. No, sir, I don't believe he did.

Q. Then, sofar as you could gather from your conversations with Mr. Greene, that basic difference was over her labor union activities and not so much disagreement on political philosophies?

A. Well, I am quite sure that he said that they did have very different political philosophies but as to the details,

I don't know.

Q. Then Mr. Greene's position in the ERCO in early 1947, having a wife who was active in labor organizations could be rather embarrassing to him as an official in the

[fol. 373] plant, could it not?

A. Well, I don't know if that was the case, actually he was not to my knowledge what I would, well, it depends on what you mean by an official in the plant. He was made chief engineer some time after this divorce took place as I recollect it and prior to that he was, I guess, assistant

chief engineer for some period there and prior to that

probably classified as a project engineer.

Q. In connection with the work that you were doing for Mr. Greene on this General Homes job, did you ever meet Mr. Greene's partner in this consulting enterprise?

A. No, I never did.

Q. Did you know who this partner was?

A. I don't believe I did. I don't recollect it now, if I did. I don't know who he was now.

Q. Have you ever engaged in any other consulting work with Mr. Greene in addition to this General Homes project?

A. No, I don't believe I ever did.

Q. That was the only outside job he ever gave you?

A. Yes.

Q. Do you know of any other outside activities he had with regard to this consulting work?

A. No. sir, I don't,

Q. The General Home's project is the only one you had a knowledge of?

A. That's correct.

Mr. Scanlon: I have no further questions, sir.

Capt. Singer: I have no questions.

Mr. Simms: One question I want to ask is: you made a reference in the form of a statement there to Jean Hinton Greene, in the sense that she wanted to carry on in Korea. Now, would you care to be a little bit more explicit about that. Do you mean carry on in the interest of which our Government was espousing? Be a little clearer with that, if you will.

. A. I believe-did you say Korea?

Q. I thought you said Korea.

Capt. Singer: I understood the same thing.

Mr. Simms: The whole thing befuddled me and I just want you to be a little more explicit. I think you did say Korea because the Captain heard you (interruption).

[fol. 374] Capt. Singer: I was going to ask the same

question.

Mr. Hubbard: I had no intention of saying Korea. I don't know when that was.

Mr. Scanlon: You sald career, Mr. Hubbard, CAREER.
Mr. Simms: I understood it as Korea and I couldn't orient myself—to carry on, as to whether you meant, carry on, in the sense of the interest of our Government in Korea or what you were trying to say. I didn't want to interrupt you because I knew I had a chance to question it—but you meant CAREER, is that right?

Al Yes, that's right.

Mr. Simms: I interpreted it as KOREA, I'm sorry.

Chairman: Mr. Hubbard I get it from your testimony that you knew, had some close association with Mr. Greene during the years 1945 to 1947, is that right?

A. Yes, but I would say that it was only really close, not in 1945 but later during the, I guess, really late '46 and early '47, at which time we were working on the same project.

Q. In any event, in '46 and into '47 you had (interrup-

tion)

A. Let me say late '46 and thereafter-it was close.

Q. You had lunch together?

A. That's right.

Q. And sometimes you'd go out weekends together?

A. That's correct.

Q. And so forth. Did he ever tell you at this time or did you know of your own knowledge that he had made an investment in the Metropolitan Broadcasting Corp., which was known locally as radio station WQQW?

A. Yes, as I recall it, he mentioned on two or three occasions the fact that he had, I believe it was a thousand dollars worth of stock in that corporation. I knew he was very interested in the musical programs which they presented and that he did like to listen to their programs.

Q. Did you then know, or do you now know the nature of radio station WQQW, as the characterization to the public as a subversive type of organization?

A. No. sir. I didn't know it then.

Q. And you don't know it now?

A. That's correct.

[fol. 375] Q. Did he at the time that he informed you,

that he had invested some money in that station tell you of who some of the other investors were?

A. No, he did not.

- Q. Did he tell you that some time in 1947, he had attended the Third Annual Dinner of the Southern Conference for Human Welfare?
 - A. Not that I recollect.
- Q. Do you know anything about the organization I have just referred to?

A. No, I do not.

Q. Did he, during the years '46 and '47, that you remember, ever broach the subject to you of the nature of organizing for the alleviation of the plight of Southern People?

A. No, he never mentioned such projects to me.

- Q. He didn't indicate to you that he was interested in any cause for helping the South or anything of that type, did he?
- A. No, he didn't—not that I can remember at all. I think I would remember.
- Q. Did he ever tell you, during the years 1946 or 1947 that he had met a member of the Yugoslav Embassy?

A. No, I don't believe he did.

- Q. Did he ever discuss with you during the years 1946 or 1947, the people who counsel mentioned before namely Nathan Gregory Silvermaster and William Ludwig Ullman?
- A. I don't believe so. The name Silvermaster is the only one of the two which sounds familiar to me and I think that that is strictly because I understood that had something to do with the previous hearing so I don't believe he did, no.
- Q. Do you have any recollection that during the years 1946 and '47, he spoke of any association that he may have had with a person known as Lauchlin Currie?

A. No.

Q. In all the conversations and social contacts that you had with Mr. Greene, would you characterize that the conversations were conventional, nothing out of the ordinary?

A. That is correct, I would.

Q. Nothing of what you would consider to be of a radical nature was mentioned or discussed with Mr. Greene? [fol. 376] A. Nothing at all out of the ordinary.

Q. You have known him or you've had contact with him since '47, is that right? I don't recall what your testimony

was on that.

A. Yes, I had some contact with him prior to that but

it has only been close since about that time.

Q. There has been, or has there been any change in the conversations with Mr. Greene since 1946, any change in his attitude either one way or the other that would be noticeable to you?

A. No, I don't believe there has, of a type which would be out of the ordinary. There was nothing more than the manner in which the average person's attitude might change

on subjects.

Q. Particularly Mr. Hubbard, would you say that there is no marked change or there is a marked change in his attitude say, toward the social nature of this country between 1947 and after 1947?

A. No, there has not been a marked change.

Q. Has there been any change that you can tell this Board about?

A. I would, if it came to any change whatsoever, I think that it might be possible that there is some slight change in the frequency with which we might have discussed political issues but it's certainly no marked change and I would not say even a definite change. I couldn't say definitely that there was a change, in other words.

Q. In other words, you couldn't say that prior to 1947, his attitude may have been a little more radical or liberal

than subsequent to 1947?

A. No, sir.

Q. One other question, were you at all familiar with the type of literature that Mr. Greene may have been interested in at the time that you knew him in 1946 and 1947? I particularly make reference to any periodicals such as the "Daily Worker", "Soviet Russia Today" and papers like that. Did you ever see him with those papers?

A. I never did. The only types of periodicals that I can remember seeing him with were yachting magazine, I be-

lieve it is and an architectural magazine which he took and.

that type of thing anyway.

[fol. 377] Q. He never discussed with you that he had read or gotten any information, as a part of your discussion, from any of these papers that I have just mentioned?

A. No, he never did, never.

Chairman: That's all I have Mr. Hubbard. Capt. Singer! Capt. Singer: Mr. Hubbard are you acquainted with radio station WQQW!

A. Yes, I am.

Q. You've heard of it? Have you ever listened to it?

A. Yes, I have listened to it.

Q. Is that station still in operation?

A. It's WGMS now, I believe.

Q. Same station?

A. Yes.

Q. Did you ever hear that that station is Communist dominated or had Communist leaning or left-wing leanings?

A. No, I never did. I, actually, insofar as I can recall, I never did. It was in the papers at some time, I may have seen it but apparently it didn't make much impression on me.

Q. Do you know why they changed the call letters of that

station?

A. No, I do not.

Q. So far as you know, you've never heard it classified as a "red" or a liberal station?

A. That's correct.

Q. So far as you think then, it's like any other radio station on the air?

A. That is correct.

Capt. Singer: I have no further questions.

Chairman: Mr. Berueffy?

Counsel: Mr. Hubbard, when Mr. Scanlon was questioning you on, you talked about the first Mrs. Hinton's interest in labor unions and I wasn't quite sure, were you talking about that as indicative of the types of political disagreements that Mr. Greene had with her or did you separate the union from other politics?

A. Actually, I only heard, I believe, right toward the end of their married life together, any comment about this at all. In other words, it was that at the time when he and I were working closely together and seeing more of each [fol. 378] other, and that was only, I think, a period of a couple months before they were divorced. Now, it was my impression that there was a connection between her political leanings and her union affiliation. In other words, I understood that she was a little bit radical in this respect to the extent that she felt that she should give her life to that type of work-bettering the lot of the working man, and so on.

Q. Now, coming back to the WQQW for a moment and subsequently WGMS, you testified you'd listened to that

station?

A. Yes, I still do.

Q. What's the predominant program on that station? What type of program?

A. Well, musical programs, at least the reason that I

listen to it is that I like the music.

Q. What kind of music is it?

A. Mostly of a classical nature, symphony and so on largely recorded.

Q. And Mr. Greene also has an interest in classical music?

A. Yes, he does,

Q. You talked about that in your conversations, have you?

A. Yes, we have.

Counsel: I think that's all my questions—unless.

Chairman: You have something further to tell us?

Counsel: No, not at this point.

Chairman: Thank you, Mr. Hubbard.

Counsel: I wanted to tell you (interruption)

Chairman: Off the record or on the record?

Counsel: Either.

Chairman: Do you want to be on the record?

Counsel: I don't care. The reason that the call letters were changed, Captain, is that the slogan of this station is now "Washington Good Music Station"-WGMS. I thought you would like to know.

Capt. Singer: I would like to go a little further, it's also of interest as far as I'm concerned, what the WQQW stands

for, if anything?

Counsel: Well, that was the trouble. They had to start the call letters with a "W" and if they wanted to say something about quality music and they couldn't—well, incifol. 379] dently, that corporation was reorganized and I'm sure it's on the record.

Chairman: Whose the next witness Mr. Berueffy?

TESTIMONY OF THOMAS MOUNTJOY

Counsel: Thomas Mountjoy.

Chairman: Mr. Mountjoy, did you come as a witness for Mr. Greene?

[fol. 380] Mr. Mountjoy: Yes, sir.

Chairman: Will you raise your right hand and be sworn, please. Do you, Mr. Mountjoy, solemnly swear that the testimony you are about to give in the case now in hearing shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. Mountjoy: I do.

Chairman: Will you state your full name and address, please?

Mr. Mountjoy: Thomas Mountjoy—Thomas Marshall Mountjoy, 6904 Lake Forest Drive, College Park, Maryland.

Counsel: Where are you employed?

Mr. Mountjoy: Engineering & Research Corporation in Riverdale, Maryland.

Q. What's your position?

A. I'm Director of Sales for SF Products Division.

Q. How long have you had that particular position, Mr. Mountjoy?

A. One year and five months.

Q. How long have you worked for Engineering & Research?

A. It'll be fourteen years on October the 20th; of this year.

Q. So that that would mean you went to work there October 20, 1940?

A. Correct,

Q. What was your first position there?

A. I was an inspector in the final assembly department.

Q. Of what?

A. Final assembly in our airplane division.

Q. At that time did you meet Mr. William L. Greene?

A. No, sir, I didn't meet Mr. Greene until I was transferred to engineering about nine months later and I met him briefly at first and then got to know him in later years.

Q. Did you subsequently come to know him well?

A. I subsequently came to know him very well.

Q. Will you tell the Board briefly how well you've known Mr. Greene and the period in which you've known him well?

A. Well, I've known him better when we were thrown [fol. 381] into the research division together which is a closed section of the engineering department when Mr. Greene was head of the division there and I was in charge of original design work on some aircraft and the components that we were working on and I got to know him right well then just in a business way and then later on—

Q. Let me interrupt, about when was that?

A. That was for about a year during 1945 and early '46 until the research division broke up when we ran out of funds for doing any research work.

Q. When you first became acquainted with him was he

married to Jean Hinton Greene?

A. Yes, he was married at that time and-

Q. Did you know her?

A. I had met her once on one occasion and I wouldn't say that I knew her at all very well. I just had met her that one time and outside of that, my acquaintance was strictly Bill.

Q. At this time, when he was married to Jean Hinton, did

you go to his house?'

A. I went to his house on one occasion when she was away and then when I picked up some steaks on the way home and we cooked the steaks and had a very nice dinner. At that time, I was single and we just went over to have a good meal, that's all. She wasn't there.

Q. Since he married Mrs. Dorothy Greene, how well have

you known him?

A. Well, I've known him, well, just about as anybody since then, since I introduced him to Dorothy and I guess we've seen one another once a week and sometimes twice, in a

social way-one another's homes, and dinner and things like that.

Q. Previous to his second marriage, you say you introduced her to him, were you married at the time?

A. I was married. I had been married about a year, maybe not quite a year, about nine months, I believe it was.

Q. Was there any connection between your wife and the

present Mrs. Greene?

A. Yes, my wife and the present Mrs. Greene were roommates and they were both working for the Department of Agriculture at Beltsville, Maryland. My wife was a food specialist and Dorothy was an electrical appliance specialist for the Department. And they had met one another out there and they had an apartment together; and then when I met my wife and we got married why. Dorothy moved out [fol. 382] and I moved in the apartment. She moved in with some girls in Washington.

Q. As a matter of fact, your wife is taking care of one of

their little boys while this hearing is going on?

A. That's right, little Wally.

Q. Are you well enough acquainted with the present Greene household so that you've been able to form an opinion as to what kind of activities they're engaged in outside of work?

A. I believe I'd be as good a judge of that as anybody and I'd say they're one hundred percent.

Q. One hundred percent what?

A. American (laugh) activities,

Q. What kind of people do they basically know and do they have as friends?

A. Most of them are either people from our plant or friends of Dorothy's that she had known from Beltsville days.

Q. At the time it happened, did you become aware of the

separation of Mr. Greene and Jean Hinton Greene?

A. Well, at the time it happened, Bill came back from where he was visiting, up at Jean's mother's house and said that Jean didn't believe in the same things, political convictions and felt that there was no longer any use in them going on together unless he would believe the way she did and he said he just couldn't see the situation. He couldn't

see that there was any advantage to it as far as he was concerned and it just had to be that way.

Q. Now, do you recall the particular occasion on which he

said that?

A. Well, he said that when he called on merat my home and we had dinner together. I had my home then—had dinner on the porch—I remember it was in the summer time.

Q. Who besides yourself and Mr. Greene was present at

this dinner?

A. I just believe it was my wife—possibly, Arnold (Timmy), the baby. I don't know whether he was born yet or not, I don't think he was.

Q. Now, you had become well acquainted with Mr. Greene some time prior to this, had you not? To this dinner party?

A. We seemed to get along better than most people. At the plant we had a lot of different things in common. Bill's interested in about the same things I am in the way of sports and things like that—various activities and being, working together there in the company, we've always been [fol. 383] pretty much "company men" and we're pretty devoted to it and we talked business a lot, pretty instrumental in getting the place back on its feet.

Q. You talked business a lot. I would just like to . . . to say, would you define what you mean by "company man"?

A. Well, I think when anybody has been with one company as long as we have, he's a "company man" or he would have left it long ago.

Q. By that do you mean to imply that his basic interest

is in the company where he works?

A. His basic interest is in his company and I'd say that comes second to his family, present family.

Q. You talked about company business, what the com-

pany was doing and that sort of thing?

A. Yes, and the future of various things that we could manufacture.

Q. At the present time, do you have a clearance?

A. Yes, sir.

Q. For what?

A. For top secret.

Q. Now, has there ever been any political discussions, that is, do you ever talk about current political issues?

A. No more than anybody else. We talked about the

Democrats and the Republicans.

Q. Well, quantity-wise could you estimate whether you talked about such issues more or less or was the same amount as company business and family affairs? Is this an important topic of discussion among you?

A. No, I'd say it was a minor, definitely minor thing that

comes into our conversation,

Q. Now, Mr. Mountjoy, when, back in these days of '46, did you become aware of the fact that Mr. Greene had invested in radio station WQQW?

A. Yes, I knew that at the time.

Q. Did he talk with you about it?

A. He thought that, he did say this, I recall it very clearly, that he thought he was going to make some money out of this station because he thought that it was the proper way to run the station. I remember he said that he couldn't help but feel that if you gave the people good music, why they would enjoy it and that it would reach the people that enjoy good music. He was strictly interested in the radio station from any other commercial venture is the way I understood it. Well, everybody, we all knew that he had an [fol. 384] interest in the station.

Q. When you speak of his approving of the way that they ran the station are you referring to anything other than the

use of . . . the classical music in its programs?

A. As I recall from listening to this thing, the few times I've heard it, that's about all I ever heard on it—some advertising.

Q. Did he tell you that he had been elected as a director of Metropolitan Broadcasting Company which operated

that station?

A. Yes, sir, he told me that he represented them from the engineering standpoint. In other words, he said his job was the engineering end of the directorship.

Q. Now, on the basis of your present knowledge of Mr.

Greene, could you tell us what his viewpoint is?

'A. You mean his political viewpoint?

Q. Yes.

A. I think that Bill feels that this particular form of Government is the best there is and I've often heard him

say it and I'm sure he meant it that he would have every-thing to lose and nothing to gain by thinking otherwise.

Q. Over the period that you've known him, has there been any change in that viewpoint that you've just described?

- A. I would say it's stable a viewpoint as any I've heard from anybody. He's pretty much of a family man. I think Bill always wanted a family and I don't think he was a bit satisfied with the first regime, didn't seem to fit his mood at all. He likes his friends and he's proven it on quite a few occasions.
- Q. Well, I just want to paraphrase it to be sure I understood you correctly. All in the period of time that you have known Bill his consistent attitude has been in favor of our system of Government and our economic system as contrasted with anyone else's system and economic system & governmental system. Is that statement a correct or incorrect—paraphrasing what you've just said.

A. As far as my experience is concerned, there's no doubt

in my mind that that boy is innocent.

Q. Have you ever heard him say or do anything or known him to do anything which caused you to believe he might be pro-Russian as compared with anti-Russian in our pres[fol. 385-386] ent cold war situation with the, our present cold war situation?

A. Definitely not.

Q. Have you ever heard him say or do anything that would lead you to believe that he ought not to be trusted

with confidential material?

A. I have no basis for saying other than that I'd trust him with anything confidential or classified. He's always been very conscious of that and to the best of my knowledge there's no reason to doubt otherwise.

Q. Mr. Mountjoy the criterion which this Board is obliged to apply in determining whether Mr. Greene should or should not have access to classified material is, I think, this is a correct statement, at least, it's my best paraphrase I could make his access to classified material must be consistent with the interests of national security and that that means more than just that it must be a matter of a doubt, must be affirmative reason to believe he should be trusted with it. Now, applying that criterion to Mr. Greene in your

own mind, does that change your opinion as to whether he is or is not a good security risk?

A. No, I think that he'd stack up with the best.

Q. On that criteria?

A. Yes.

Q. Have you had occasion to observe his attitude toward

security regulations in the plant?

A. I have and I've observed that they are a very conscientious, he's always been conscientious and I can't help but recall a number of times he's questioned people that had been wandering around shop without the people they should be with and somebody usually got the devil for it.

Q. Now, let me just ask you this. When Mr. Greene was vice-president, in charge of engineering, the fact is that he had an office upstairs in the administration building just off of the ante room, his last office, just across the ante room from Colonel Berliners office; how would he know if some-

body was wandering around the shop?

A. Because he did a lot of wandering around himself. He was on top of everything. I mean by that he came around the plant not sitting at a desk all day and Bill tried to balance his time in his office and in various other departments so that things would operate efficiently and his record certainly proves it did. I think that anybody that knows any-[fol. 387] thing about production or engineering will agree with me on that. When I mean somebody wandering around I mean upstairs or downstairs and a few times it did happen, he got quite upset about it because he realized, I believe, that it's serious to have people you don't know, have people in the plant that aren't accounted for. That doesn't happen, well, that hasn't happened since we have taken on security as much as before when we were just building airplanes. He had no security to worry about and then when we started in the security business, some of the employees weren't used to the seriousness of the situation and Bill went a long way to teach them that it was a serious situation.

Q. Was his attitude towards security regulations consistent throughout?

A. As far as I know it's always been the same.

Q. He's always insisted with . . . about the security regulations?

A. That's correct.

Counsel: I think that's all at the present time.

Chairman: Mr. Scanlon?

Mr. Scanlon: Mr. Mountjoy, you testified that you and Mr. Greene became particularly close friends during 1945 and 1946, is that correct sir?

A. In a business way since we were in the same office, we did know one another better than most people around the plant,

Q. You also testified that Bill's the kind of a man that

likes his friends, is that correct?

A. He likes his friends, I think that's correct, yes, sir.

Q. Did you intend that description to include that he likes to associate with his friends socially—sports, parties, visits, etc.?

A. Well, certainly, he certainly does now. I got the impression that when he was married before that his wife didn't appreciate his friends and I'm quite sure that while he did, she didn't and that upset him quite a bit; and when he finally got a divorce and got into the situation that he cared to be in with his present wife and family, that expression came out of him and since then he's made quite a number of friends that he wasn't able to make before because it didn't seem like they were welcomed.

Q. Do you believe that that attitude on the part of his [fol. 388] wife toward his friends accounts for the fact

that you never visited in his home was his first wife?

A. Well, of course, you're getting back to the situation, I think that's true to the best of my knowledge but of course, he was married then and I was single and I had no way to entertain him in my home and therefore I couldn't expect to be entertained in his; and we just weren't quite that close actually. We were, it was still a business acquainfance.

Q. Did you and Mr. Greene have many mutual friends

during the period 1945 and 1946?

A. We had them at the plant.

Q. Do you know any of these people who visited in his

home during that period?

A. Well, I was familiar with Light's visit in his home and at the time Gordon Light visited there, now he was married and when a fellow's married he has a little more in common with another married man. It makes quite a difference. I found that out when I was married that I lost interest in my single friends.

Q. Light is the only one of your mutual friends that you know of who visited him in his home during that period?

A. Well, Joe Clements did, I'm sure of that and I don't recall off-hand, I couldn't say for sure about anybody else because I don't know. I'm sure there were some though.

Q. You didn't think that there was something strange about the fact that many of his friends did not visit him

in his home in that period ... is that right?

A. Not very apparent, no. I did have a strange feeling that there was a complete lack of a normal marriage there and I was quite sure it was her attitude because he was the one that did most of the complaining. As far as I knew, he would come in the morning and voice his dissatisfaction with the way things were going.

Q. This was during the period they were living together?

A. That's right.

Q. Could you tell me some of the things that you recall him saying that indicated dissatisfaction, that is, specific items he was dissatisfied with?

A. Well, he was dissatisfied with her being away a lot and he was dissatisfied with not having any children, dis[fol. 389] satisfied with her as a wife in general. The particular occasion that I was at his home, he called her up
as all good husbands do and he gave her the devil about,
not being home and being a good wife like she should have
been.

Q. Did you feel that he was rather relieved when the final break came between the two of them?

A. Well, that's a good question. He was a little upset atfirst because he couldn't help but think his dignity was upset more than anything and then when he met Dorothy, I'm quite certain that any sympathy he had for her went out the window. It wasn't too long afterwards, I never saw anybody recover so fast. He did feel relieved, yes sir.

Q. You testified a while ago, I believe, that the decision to separate and divorce was Jean's decision, is that correct?

A. I got that impression from what he told me.

Q. I also gathered from your testimony that notwithstanding this decision on Jean's part, he still made some effort to get her to come back to him, is that correct!

A. He made a small effort.

·Q. Then within a very few months of the separation and even before the divorce, he met Dorothy, is that correct?

A. That's correct.

Q. After that, he was perfectly satisfied to have the

divorce action go through?

A. Yes, sir, I think he went with Dorothy very consistently for about a year until it was through, until he was sure they wanted to get married and they were married and had children like anybody else.

Q. From your testimony it would seem that Mr. Greene might have been more dissatisfied with Jean's frequent absences from home and her desire not to have children rather than he was with any basic disagreement on political

philosophies, is that correct?

A. Well, where it really came out, that expression of differences in political philosophies was when he first told me that the reason that they were splitting up was because he could not swallow her political beliefs and could not live with her under those circumstances and frankly I was proud of him for sticking with his guns because I couldn't help but agree with him and I would certainly never have introduced him to Dorothy who is one of the finest girls in the world [fol. 390] or if I had any doubt that he had any such tendencies or sympathies.

Q. Speaking of Jean's political philosophies, did he lead

you to believe that she was a Communist?

A. I was lead to believe that I have, I can't quite recall since it was so long ago whether the word Communist was used or not but I certainly arrived at that decision in my own mind.

Q. From the things he said to you had no doubt in your

own mind that she was either a Communist or strongly pro-Communist; is that right, sir?

A. That's correct.

Q. And yet you state that notwithstanding all this, he still made some effort to make his marriage hold together in the

beginning?

A. He made a very weak effort, I mean, as far as I know it didn't amount to an effort that you would make if you really wanted to hold anything together. It involved weak efforts. I do think his pride was hurt more than anything and that he was very much relieved, I'm sure of that.

Q. During this period of 1945 to 1946, when you were closely associated, did you know of Mr. Greene's concurrent association with Mr. and Mrs. Nathan Gregory Silver-

master?

A. No, sir, I can't say that I did.

Q. He never mentioned to you that he was visiting frequently in the Silvermaster home and they were visiting in his home during this period?

A. No, sir, I can't recall that, if the name was mentioned

it didn't register.

Q. Did he indicate to you that he was closely associated

with Dick Sasuly during this period?

A. No, I can't remember any of those names. They don't register with me.

Q. Did you know that Mr. Greene was engaged in a con-

sulting enterprise on the side?

A. I knew that and I knew that it was a consulting outfit for a prefabricated aluminum house in the Columbus, Ohio, area and that he made several trips to Columbus to advise them and he had asked me several times about certain ways to, I remember in particular one way of connecting the various walls together and with Bill's knowledge of sheet metal it was perfectly in order for someone to hire him on that basis.

[fol. 391] Q. Were you aware that his partner in this consulting enterprise was Richard Sasuly!

A. If I heard the name I didn't know who he was or why he was.

Q. Did you know who any of these people were that Mr.

Greene was frequently receiving into his home during this period?

A. I can't say I do.

· Q. He never mentioned them to you at all?

A. If he did, I guess, if he did, I don't remember it because I mean if somebody comes into the office in a business way and mentions somebody's name he could have mentioned it a million times and I wouldn't remember it because it just didn't, I won't say a million times cause that's a little too much but if he mentioned it during that period I couldn't go back if we weren't mutual friends of these people and remember who it was.

Q. So far as you can recall at the present time, his life away from the office was practically a closed book to you,

is that correct?

A. Well, I'd say in that respect it was. He mentioned on occasions, I remember one particular time he mentioned about going to a celebration with Jean and he was talking about how good the food was when he got in the office the next morning and Bill's kind of a connoiseur of good food and I think he was more impressed with that than anything else.

Q. You're referring to one of the Russian Embassy celebrations, no doubt?

A. Yes, sir. I remember very well him coming in the morning and telling everybody that he had been there.

Q. Well actually he could have been carrying on a completely different existence away from the office than the one he was carrying on in the office and in the light of it that you wouldn't know anything about it, is that correct?

A. Well, not entirely, my opinion when you work with a man that close, as we did there were about six or seven of us in the office. Let's see there, maybe about eight and Bill's always pretty outspoken and he says what he things and certainly none of us ever got the impression that he was thinking otherwise and I don't think he would have been, had any reason to keep anything to himself at that time, he seemed perfectly normal.

[fol. 392] Q Apparently he did keep from you the fact that he was exchanging frequent visits with the Silvermasters, that he was engaged in a business enterprise with Sasuly, that he was having contacts with Bruce and Miriam Waybur, that he associated frequently with William Ludwig Ullman. Those names are all strange to you insofar as any association with Mr. Greene is concerned, aren't they?

A. They are but I can't see that he had any occasion to talk to me about that, who they were associated with was not—if he said it, I don't remember the names but I know on occasions he might have said that he saw so and so but it didn't mean anything to me because until these investigations started these names were not very well implanted in my mind.

Mr. Scanlon: I have no further questions.

Capt. Singer: I have no questions.

Mr. Simms: No questions.

Chairman: Mr. Mountjoy how long did you say that you were in a sales capacity at ERCO?

A. A year and four months—a year and six months.

-Q. You've been in that capacity for the last year and six months, past year and six months?

A. That's right.

Q. Prior to that what was (interruption).

A. Prior to that I was contract administrator and prior to that I was assistant chief engineer.

Q. Let's go back a minute to the time that you were contract administrator. How many years would you say you were contract administrator?

A. Well, I was contract administrator for about a year and then the question of starting up this sales department came up and they got a new man and I stayed on with him about another year until we got everything in order since I had started the contract administration department, we didn't have one prior to that, and we had a lot of unfinished business and when we got it all out of the way, it took about two years, why then I started this sales office up.

Q. I take it that you were in no sales capacity whatso-

ever, say prior to 1947?

A. Prior to 1947, no. But the way it worked out, Bill was Chief Engineer and I was Assistant Chief Engineer [fol. 393] and he devoted his efforts to developing this

flight trainer business and he turned everything else over to me because it was new to us and we had to make a showing in that field and he didn't have time to fool with everything else, so he turned the armament and the machinery engineering end of the thing over to me. That included a lot of sales work. In other words, I went out and actually worked with the Government in sales and developed the armament division until we had a nice lot of contracts and then we started having contractual problems, and they moved me from there to contracts and then when the contracts started running out they moved me to sales to get more contracts.

Q. Well, Mr. Mountjoy we have evidence here that prior to 1947 when Mr. Greene was in an engineering capacity, he also had some sales responsibilities or at least undertook some sales responsibilities.

A. Well, he's always been one of our best salesmen from the first time I've known him he's been doing sales work engineering and sales work.

Q. They go hand in hand?

A. Go hand in hand and a good salesman has to almost be an engineer nowadays because things are so highly technical.

Q. Well, when you were an assistant engineer prior to 1947, did you have some sales responsibilities as well?

A. I was on the Ercoupe airplane and Bill was in the propeller and mixed up with the machinery and things like that and they, and the Ercoupe had its own sales department.

Q. Well coming back to my specific question, did you have some sales responsibility as an Assistant Engineer?

A. As Assistant Chief Engineer I had almost more sales than I did engineering.

Q. Did you ever attempt to consummate any sales of your products with the Soviets or the Russians?

A. No, because by then nobody was liking them. I was Assistant.Chief Engineer in '48, I guess it was.

Q. How about 1944 and 1945, did you have any sales responsibilities?

A. That was during the war and during the war I was project engineer of gun turrets. We made gun turrets

for the navy. And we had no sales department in gun turret, nobody had to sell anything during the war. They had [fol. 394] to beat them off because everybody wanted you to do everything else during the war, things took a sudden change afterward.

Q. Well, apparently, Mr. Greene was attempting to sell something during the war at least, that's some of the testimony, I think we got here. He tried to sell some things to the Russians and had visits with certain people for that purpose. Would you say he was beating them off or do you

think he was trying to sell them something?

A. In our armaments, we were doing alright but our machinery sales were dropping off and I think that a question like that are management, and the management at that time could better answer it because I wasn't in the management capacity at that time and couldn't honestly answer you what was going on.

Q. Let me ask you this specifically. Do you think it was unusual to try to sell the products of ERCO, whatever products were trying to be sold, to the Russians during

the war, is there anything unusual about that?

A. No, I don't think it would be, everybody was selling products.

Q. But vou weren't engaged personally in selling any-

thing to them, were you?

A. All I knew at that time were gun turrets and we weren't selling any gun turrets because we were selling all those to the Navy.

Q. Did you say, not relevant to this, but I think you said something to the effect that Dorothy came from the Department of Agriculture?

A: Came what?

Q. That Dorothy, the second wife of Mr. Greene was also an employee of the Department of Agriculture!

A. She was in the—out at Beltsville which is on the farm.

Q. Which is also some branch of the United States Department of Agriculture?

A. That's right. She came from Ames. Iowa and my wife's from Penn State and everybody at the Department of Agriculture in the Bureau of Home Economics is either

from Ames or Penn State. They seem to be the two most outstanding home economics—

Q. Looks like Mr. Greene has a propensity for the De-

partment of Agriculture.

A. I'm afraid that didn't have anything to do with it, that's just the chue; because he didn't know where she was.

[fol. 395] Q. Just a coincidence?

A. Yes.

Mr. Waldman: I have nothing else Mr. Mountjoy. Five Minute Recess.

TESTIMONY OF DR. MARJORIE GREENBERG

Counsel: This is Dr. Marjorie Greenberg.

Chairman: Dr. Greenberg did you come as a witness for Mro Greene?

Dr. Greenberg.: Yes.

Chairman: Will you raise your right hand and be sworn. Do you, Dr. Greenberg, solemnly swear that the testimony you are about to give in the case now in hearing shall be the truth, the whole truth and nothing but the truth, so help you God.

Dr. Greenberg: I do, sir.

Chairman: Will you state your full name and address for the record, please?

Dr. Greenberg: Marjorie Greenberg, St. Joseph's Hospital, Philadelphia 30.

Counsel: And you're a medical doctor?

A. Yes.

Q. And you're employed on the staff of St. Joseph's Hospital in Philadelphia?

A. Yes.

Q. What's the relationship?

A. I'm his sister.

Q. Did you know Jean Hinton Greene?

A. Yes, I. did. .

Q. Tell us how you met her?

A. I first met her some months before they were married. We called for her and went for a walk in the woods.

Q. That is the three of you went for a walk?

A. Yes.

Q. And when they were married did you visit Bill and Jean at their home?

A. Yes, on many occasions.

Q. Now, they were married in December '42 to 47, isn't that right?

A. I think they were.

Q. Would you describe to the Board now, what happened, what you observed in that marriage but let me just start you out by saying, as you observed it, was that a marriage in which there was harmony between Bill and Jean, be[fol. 396] tween the husband and wife?

A. No, there wasn't.

Q. What makes you say that, Doctor?

A. Well, I-heard rumors, fights and I heard Jean expressed her contempt for Bill's opinion on many occasions and there seemed to be a definite separation of their friends too.

Q. When you say there was a separation of their friends, could you give the Board a concrete example?

A. Yes, one time I was visiting them, I think that was in the place near the zoo.

Q. That would be on Harvard Street?

A. Yes, a red brick house. A friend of mine and her husband were invited to the house too. I went to college with her. Bill knew her for some time too and Jean invited some friends too, but she didn't introduce them to us and she stayed in the house and we were outside. It was rather embarrasing because there was such a strong separation there. I thought it would be a sort of a family party but it wasn't at all. I really don't think she even introduced her friends to us. She paid no attention to our group at all.

Q. Of all of Jean's friends, did you know any of them

well?

A. The only two that I knew fairly well were Juliane Day and Freddie Coolidge and I met them both before they were married.

Q. This would be Dr. Juliana Day?

A. Yes, and then I knew a few others-doctors.

Q. And Freddie Coolidge would be Frederick F. Coolidge?

- A. Yes. I did meet some of their neighbors on Harvard Street on both sides.
- Q. Now, there have a number of names mentioned in these proceedings and as a matter of fact, I showed you that listing of names, didn't I?

A. Yes.

Q. They included the Sasulys, the Wayburs, Martin Popper, Madeline Donner, Russell Nixon, Salkind, Rodman, Shura Lewis, Owen Lattimore, Ed Fruchtman and Virginia Gardner. Were you introduced to any of these people at the Harvard Street house while you were there?

A. No.

Q. Would you be able to say whether or not they came in and you were not introduced to them?

A. I couldn't say because I didn't know the names of any of the people that came there and I don't know who the [fol. 397] people are anyway, so I don't know.

Q. In other words, you would go to visit your brother. in his house and his wife would have friends in and you

wouldn't be introduced to them, is that right?

A. That's right. I think that sort of position went pretty far, I mean Jean didn't approve of drinking and some people would drink and her attitude was sort of hostile to them that way and there was a division that went further than that I think.

Q. During the time, well let me first ask you, since Bill and Jean separated have you ever seen Jean Hinton?

A. No.

Q. During the time that you did know her did you have any reason to believe that she was a member of the Communist Party?

A. No.

Q. Or strongly pro-Communist?

A. No.

Q. Did you know anything at all about her political view-

point?

A. Yes, I did. She was very much interested in organizing labor unions from what I could hear. She talked about it. I think that she was fundamentally interested in organizing unions from what I could understand and well, in general this is just an opinion, but she wasn't very different from many of the college liberals that I have met. She was a graduate of Bennington. She had a rather strenuous attitude, it was almost like a zealous social worker from what I've heard, anyway.

Q. Would you say that this was an accurate description of her that she was a college liberal, but she worked harder

at it than most college liberals?

A. She worked harder at that. She worked harder at anything that she did. I met a number of girls that went to school with her at other times. I took a course in physics one summer at Columbia and I met a girl who had gone to Bennington and I described Jean to her and she said that was Jean all over because everything she did she threw herself into very thoroughly.

Q. One of the items that has been supplied to us by the Board specifically, paragraph four of the Board's letter to me, states that this is not an accurate, but I think the gist of it is that Bill and Jean had generally political sympathies that were in accord. Did you observe anything

that would let you form an opinion on that?

A. Well, I wouldn't say that they were in accord because [fol. 398] I heard Jean say some rather insulting things to Bill on that subject. For instance, one time Bill put forth a political opinion, I'm sorry to say I cannot remember what it was but Jean said, "Until you've read this list of ten books," which she proceeded to give, "your're not in a position to state an opinion."

Q. There was a difference of political viewpoints be-

tween them that you observed?

A. Yes.

Q. And she was contemptuous of Bill's political attitude?

A. Oh, yes.

Q. Now, could you gather from the time you saw them what the essential difference was in their political view-

point?

A. Well, I would say that it was chiefly one of degrees, because I think that Bill was somewhat interested, became interested because Jean was interested in social problems. I think that he became aware that they existed at least, which I don't think he was aware of before because his political knowledge and interests have always seemed to

me very limited and he became aware of the existence of

such things but never to the degree that Jean was.

Q. Now, at any time did you hear Bill express an opinion that was, would indicate that he was a pro-Russian as against someone else that would not, let's say against the interests of the United States?

A. No, no.

Q. Did you ever hear Jean express such an opinion?

A. No.

Q. Have you ever known your brother to do anything that evidenced sympathetic association with the Communist movement?

A. No.

Q. Would you say that during the period of his marriage to Jean your brother's viewpoint did or did not change?

A. I don't know exactly what you mean.

Q. How did, let me try to paraphrase it, do you think Jean had any influence on your brother?

A. Yes, I do.

Q. And what was the nature of the influence that she had on him?

A. I think that she aroused some interest in political matters and in social matters because before that I don't think he had any to speak of, nothing.

Q. Now, over a period of time, you knew about your [fol. 399] brother's attitude towards the Army didn't you.

A. Yes.

Q. In a former hearing of this case, there was some reference that indicated that your brother was pleased because he was not inducted into the Army and which further indicated that that pleasure came from the fact that perhaps he didn't want to fight against the Russians?

A. I don't believe that.

Q. And why do you say you don't believe it?

A. Well, because he was in the ROTC when he was in college and when he was graduated he wanted to get into the reserves but he couldn't get it because of his high blood pressure. He was very much disappointed then and the same thing happened several times later and he was always very distressed about it. He was anxious to join I would say, rather than pleased when he wasn't. He

usually had fits of depression not being in it during the war certainly, and he wasn't allowed to go. As far as I know his attitude on that subject was absolutely consistent.

Q. Well, now Dr. Greenberg, knowing your brother as you did and taking into account the fact that as you observed Jean did get him interested in political issues, social issues, do you think that Jean at any time could have persuaded him to be against the United States Government?

A. No, never.

·Q. You think she could have persuaded him to change his viewpoint in general towards the capitalistic system?

A. Oh, no. That was another thing she had against him.

She used to accuse him of being a money grubber.

Q. She objected to the fact that he worked hard at the plant.

A. She objected to the fact that he worked hard at the plant and that he devoted his energies to that; because I think she thought he was somewhat above that, although she didn't hesitate to live by it, and that was for a number of occasions.

Q. Now, did this division in the family, was it something

that came up immediately or did it (interruption)

A. Well, I wasn't aware of it immediately but I don't know whether it existed in the beginning or not but it seemed to me that it became more pronounced as the time [fol. 400] went on.

Q. More intense?

A. Much more intense. I don't know exactly when it started that I couldn't say.

Q. But by '46, we'll say, which was the year prior to the divorce, did you visit them in that year?

A. Yes.

Q. And it was quite marked at that time?

A. Yes.

Counsel: I think that's all my questions.

Chairman: Mr. Scanlon?

Mr. Scanlon: Dr. Greenberg, you've mentioned just now that your brother had frequent fits of depressions during the war because he wasn't allowed to go. Who was it that wouldn't allow him to go, Dr. Greenberg?

A. I don't know who exactly, what it was that stopped him but I know that, I think twice it was almost down to the day of his induction and he wasn't taken. He received a deferment I think once because his plant didn't want him to go because of his work which I presume was considered essential.

Q. Were you aware that he resigned his commission so

that he wouldn't have to go?

A. I think I heard that, yes, but he was, I think the way I unders god it, he was prevailed on because of his work.

Q. Now, I would like to take up the question of his relationship with Jean. You've mentioned the fact that there was some political differences between the two of them but you also state that you never had any reason to believe that Jean was Communist or pro-Communist. What was the specific nature of the differences between the two of them on political philosophies?

A. It seemed to me that Jean was more radical in her

political views than my brother.

Q. In what way was she a radical, Dr. Greenberg?

A. She was so very much interested in the labor movement that I think that she just concentrated on that point of view more or less.

Q. You consider that to be a radical viewpoint the fact

that she was interested in labor?

A. The concentration on that one point of view I consider somewhat radical.

Q. Well, was that where she and your brother basically

[fol. 401] disagreed, on labor organizations?

A. I don't remember the specific points of difference but I know that Bill considered the certainly capitalist point of view, I suppose because he was more or less on that side himself.

Q. Dr. Greenberg, you've stated that during your various contacts with Jean, you never at any time recognized her as being pro-Communist, is that correct?

A. I never thought of her as such. I never thought of

her as a Communist, certainly.

Q. Have you had any occasion to change your opinion of her since that time?

A. I haven't heard anything about Jean since that time.

I haven't thought about her or anything like it. If you could make that statement a little bit more precise perhaps I could answer it better.

Q. Specifically what I was trying to find out is whether you had occasion since the separation to believe Jean is a Communist or strongly pro-Communist?

A. I haven't had any further news of Jean.

Q. Based on what you've heard of her activities during the period of the marriage have you had any reason to believe that she was now, that she was pro-Communist then? You told us that you didn't consider her actions, in fact, during the marriage as being pro-Communist, now, I'm wondering whether you place a different interpretation on those actions today than you placed on them then?

A. Well, I don't know. I don't have any real reason to, no. I might say she is pro-Communist possibly, I don't know. It would depend on the definition of what you mean by that.

Q. Then so far as you are aware then, your brother didn't differ with Jean on political philosophies because he believed that she was pro-Communist, is that correct?

A. Would you please repeat that?

Q. So far as you're aware, the difference between your brother and Jean was not a difference between a pro-Communist attitude on her part and anti-Communist on his part?

A. Well, if you consider an extremely, I suppose you could say that an extreme, if you say that an extreme left opinion is pro-Communist, then I would say that he did

disagree because of that, yes.

Q. You've indicated I believe that you never met any of these people whose names Mr. Berueffy read out to you just now, the Silvermasters, etc.

[fol. 402] A. I never have.

Q. No doubt you have since learned that most of the names that were read to you were names of individuals who were acting as Soviet espionage agents or people who were strongly pro-Communist in their activities?

A. The only name that I've heard in that connection at all and I haven't followed it is Owen Lattimore. Just let me tell you one thing before we go any further. I just

came back from Europe last year and I was there for five and a half years and I haven't followed things very closely. I have heard of Owen Lattimore but I don't think I've heard of any of the others.

Q. On the occasions when you visited your brother and his first wife in their home, did you see any Communist

literature at their house?

A. Not that I know of, no.

Q. Did you see the "Daily Worker"

A. No.

Q. "In Fact"?

A. I don't recall it.

Q. Any of the works of Karl Marx?

A. Not that I know of, no.

Q. Publication "Soviet Russia Today"?

A. I doubt it, I don't know, though, I mean I haven't looked for it. The only name that I'm familiar with is the "Daily Worker" and I know I never saw that, but the others, I just don't know one way or the other.

Q. Did you visit your brother and his wife very often

during the period of that time?

A. Quite a number of times, yes.

Q. You stayed overnight at their home?

A. Oh, yes.

Q. Did Jean have many friends come into the home during that period that you were there.

A. Only on a few occasions.

Q. Did your brother have any of his friends come into the home during the period that you were there?

A. Yes, she had more than he did.

Q. You met his friends?

A. Jean was never very friendly with me. I was always on friendly terms with her but I would never say that we were intimate. I met a number of Bill's friends.

Mr. Scanlon: I have no further questions.

Chairman: Capt. Singer?

[fol. 403] Capt. Singer: I have no questions.

Chairman: Dr. Greenberg, in the numerous times that you saw your brother between 1942 and 1947 at his home he and you were friendly, weren't you?

A. Yes.

Q. There was nothing that would . . . to keep him and you apart at that time?

A. No, we had no disagreements.

Q. Being a brother and sister relationship I imagine that he did talk to you quite a bit. Did he ever tell you of any difficulties that he was having with Jean because of her socalled radical ideas?

A. No, he never complained about Jean at all. The disharmony that existed between them I would say was just a question in my own observation, but it was very obvious and I think it was obvious to anyone who went in their home.

Q. Well, as his sister visiting him and sleeping over at his home, didn't you ever feel that you would like to discuss the problem with him?

A. You don't know him.

Q. No, I don't.

A. No, no, he isn't, at least I haven't found him to be the type who would discuss his intimate problems. If he did he didn't discuss them with me or anyone I knew.

Q. Dr. Greenberg, did you attend your brother's wedding!

A. Yes.

Q. Was it a reception where both sides of the family were present.

A. My mother and I were the only members of Bill's family but her mother was there, her brother, sister, aunt, uncle or uncles, I don't recall whether it was just one uncle or several and her grandmother.

Q. You met some of his in-laws at the wedding reception. Did you ever see any of the in-laws at his home during the years 1942 to 1947 when you were visiting there?

A. Yes, I think I saw her brother once or maybe twice.

Q. Jean's brother?

A. Yes.

Q. How about Jean's sister?

A. Well, I saw Jean's sister once or twice but I think it was in my house in New York.

Q. I assume that you spoke to Jean's sister (interruption)

A. Pardon me, I saw her brother again one time without Bill. He was passing through New York and he wanted [fol. 404] a check cashed and he got in touch with me.

Q. I assume that at your home when Jean's sister visited you spoke to Jean's sister?

A. A little. She was not very communicative either.

Q. Would you say showas the same type as Jean?

A. She didn't impress me as being the same type as Jean at all.

Q. I assume that when Jean's sister came over to see you, Jean was with her?

A: I think she was, yes, and Jean's sister's fiance, I think.

Q. Did you ever get the impression either from Jean or Jean's sister or from your brother that Jean's sister was somewhat of a radical?

A. No, never.

Q. Do you know that now?

A. I've heard some story and I was very much surprised, frankly.

Q. She never gave you that impression.

A. No, she never gave me that impression.

Q. How about Jean's brother, did you have any impression whatsoever from Jean's brother in the once or trice or three times that you met him that he may have been something like Jean?

A. I never heard him discuss anything, any political matters in my presence when I, the only things I heard him

discuss were literature.

Q. What type of literature.

A. His own, very bad but, no, really I didn't have any discussions with him one way or the other. Her family, at least her brother and sister were not particularly friendly to me. The time that her sister was at our house, I had the impression that it was just as a convenience. It wasn't a particularly family type visit or even a social call. I think it was just in the nature of a hotel like that.

Q. Well, in all these meetings over a number of years with Jean and her sister and her brother, didn't you ever' form any opinion as to the type of people they were. They

certainly weren't conventional, were they?

A. No, they were unconventional but I didn't think of them as unconventional politically particularly. There were [fol. 405] so many eccentricities that they had that made them unconventional.

Q. What other eccentricities aside from political or eco-

nomic concepts would you say they had?

A. Well, her brother had very lofty ideas of his literary ability which was eccentric and they had, they were very conceited for one thing. They had extremely exalted opinions of themselves and they were very dirty and they (interruption)

Q. By that you mean they didn't wash themselves, or

something like that?

A. Yes, I don't mean, they were not at all pornographic, they certainly weren't that way. They were very immature for their age too, and they were very shy except among themselves.

Q. When you say they, you mean?

A. The three of them.

Q. The three of them?

A. Yes, that was noticeable at the wedding. They were very restrained with other people and I always felt that about Jean but when her brother and sister were around she was very warm towards them. She was always very cold to me, well, I thought even with Bill and certainly with me or my mother.

Q. In other words, you would say that they were noticeably different from the conventional people that one would

meet in everyday association?

A. Yes, sir, I would say so.

Q. Noticeably so?

A. So (?) I have that other people along those lines.

Q. Now you were in Bill's home, that red brick house that you're talking about.

A. Yes, on Harvard Street.

Q. Was there anything unusual about the house itself, the interior of it, was it dirty?

A. Sometimes.

Q. I mean, unusually so?

A. Not, to the point that where you wouldn't want to eat there, no—it was disorderly I would say, rather than dirty.

Q. In other words you say that Jean wasn't a good house-keeper?

A. No, she wasn't. She almost prided herself on not be-

ing one.

Q. I assume you slept in their house, you said you stayed overnight?

A. Yes.

Q. Were there any beds in their house which had no mat-[fol. 406] tresses on them?

A. Not that I observed. Jean slept on a board because

of her back.

Q. Did you ever hear it said that Jean slept on a board

in order to keep the common touch?

A. That's a new one on me. But everybody I've ever known who had any disturbance with their spinal column had to sleep on a board.

Q. I know that doctor, except I'd like to know whether

you ever heard?

A. I never heard that and as far as I know Jean never slept on one until she had that slipped disc or whatever it was because I know she slept on a bed until then.

Q. When you were in Jean's home did she dress conven-

tionally when she received her guests?

A. Well, that depends on what you would mean by conventional. She never dressed unconventionally in the sense of being immodest or wearing eccentric apparel. She never

got dressed up, that's all.

Q. Let me ask you this, conventionally when somebody would invite you for dinner at their home would you expect them, if they were a woman to wear a dress and shoes and stockings and the usual clothing of the evening or would you expect them to appear in overalls?

A. Well, I regret to say that now an awful lot of people do it. It's very common now. I wouldn't consider that ec-

centric; no.

Q. Would you consider it eccentric when you invite people for dinner to dress in overalls or wouldn't you consider it eccentric?

A. Not always, no.

Q. You wouldn't always consider it eccentric?

A. It's so common among younger people now never to get dressed up that I don't any longer consider it eccentric, no.

Q. In any event, your brother never spoke to you about his wife's eccentricities?

A. No, no.

Q. It's just what you noticed that you are telling us today!

A. Even when things became very difficult with Jean, he never complained or said that they were difficulties, except that it was very clear?

Mr. Waldman: A have no other questions Dr. Greenberg. [fol. 407] Dr. Berueffy!

Counsel: When you were in Europe the last five years, five and a half years what were you doing?

A. I was studying medicine.

Q. Where were you studying medicine?

A. In Lucerne (Lausanne) in Switzerland.

Counsel: I haven't anything further. Thank you doctor. Our next witness will be Clarence Joseph Clements, Jr.

TESTIMONY OF CLARENCE JOSEPH CLEMENTS, JR.

Chairman: Did you come as a witness for Mr. Greene? Would you raise your right hand and be sworn please. Do you Mr. Clements, solemnly swear that the testimony you are about to give in the case now in hearing shall be the truth, the whole truth and nothing but the truth, so help you God.

Mr. Clements: I do.

Chairman: Will you state your full name and address please.

Mr. Clements: Clarence Joseph Clements, Jr. I live at

Silver Spring, Maryland.

Counsel: Where do you work, Mr. Clements?

A. I work at Engineering and Research Corporation, Riverdale, Maryland.

Q. And what's your position there?

A. I'm a research engineer.

Q. Did Mr. Greene hire you for that position?

A. No, he did not.

Q. Who did hire you?

A. Mr. Al Parker (Crocker) who worked there at that time.

Q: You are acquainted with Mr. Greene?

A. That's right.

Q. And when did you first become acquainted with him?

A. Sometime in 1940.

Q. When you became acquainted with Mr. Greene were you working for Engineering and Research?

A. That's right.

Q. How well were you acquainted with him at this time?

A. Essentially, just work, slightly socially. He played with motorcycles and I did and we visited each other occasionally.

Q. At this time he was not married, was he?

A. He was not.

Q. Did there come a time when you ceased to work for Engineering & Research Corp.?

A. Yes.

[fol. 408]. Q. When was that?

A. In 1943.

Q. Before I go on, what's your particular specialty in

Engineering Mr. Clements?

A. Well, I do all kinds of research work—trouble shooting, do some engineering consulting. I don't have a college education, but I've had quite a bit of experience in almost everything mechanical, hydraulic and electrical.

Q. Are you familiar with electronics?

A. Yes.

Q. When you left ERCO where did you go to work?

A. At Los Alamos Laboratories, Los Alamos, New Mexico.

· Q. And what kind of work did you do at Los Alamos Scientific Laboratory?

A. Electronics work.

Q. Now, just in case there's anybody that doesn't know, was this the atomic bomb laboratory?

A. Yes.

Q. Were you cleared for security when you were em-

ployed at that laboratory?

A. Well, I don't recall any papers that I ever received that said that I was, however, I assume, because I was allowed to work there, that I was.

Q. When did you return to Engineering & Research Corp.?

A. The fall of 1945.

Q. After your return there did you reestablish your acquaintance with Mr. Greene?

A. Yes.

Q. Did you become well acquainted with him?

A. Yes.

Q. Did you and he have projects that you did together!

A. Yes.

Q. What kind of projects were they?

A. Well, we built a very small portable motorcycle one that could be carried in a light airplane. We designed it and built it during that period.

Q. Did you do anything else together?

A. We owned an airplane which we flew, worked on a great deal. We did some consulting work and numerous

other engineering type jobs.

- Q. After you came back to ERCO did you become acquainted with, first let me ask you, at that time, when you came back to ERCO, you learned that Mr. Greene was married?
 - A. Yes.

Q. Did you know Jean Hinton Greene?

A. Yes.

[fol. 409] Q. Did you visit in Mr. Greene's home while he was married to her?

A. Yes.

Q. Could you say how frequently?

A. Probably twenty times, approximately.

Q. Did you see other people who were visitors in that home?

A. Yes.

Q. Did you go to any parties there?

A. I wouldn't call them formal parties. I went to gatherings there, talk perhaps.

Q. Now, was this at his house on Harvard Street?

A. Yes.

Q. What kind of people, what kind of groups did the

people that you saw there seem to be?

A. They weren't engineering people. They didn't have mechanical interests and weren't interested in flying that I ever determined. As a matter of fact, they had very little in common with him, found it very difficult to talk to them.

Q. Did you talk to them?

A. A few of them.

Q. Mostly what would you do when you'd go to Mr. Greene's house and people from this group would be around.

A. Talked to Bill.

We were working on this motorcycle at the time, during that period of time.

Q. Did you and he stay around in the group that would be there on these occasions or did you (interruption)?

A. Sometimes, he had his drafting board in the upstairs bedroom and did work at it. He had some parts down the cellar where we went occasionally.

O. Did he have some tools down there?

A. Hand tools.

Q. Am I correctly paraphrasing your testimony when I say that, you'd go to Bill's house and there'd be people there and you and Mr. Greene would go upstairs or down in the basement and work at a drafting board or work with these tools or something like that with this group upstairs?

A. Yes.

Q. Now, did you ever go on any trips with Bill, .

A. Yes, a great deal.

Q. Where were some of the trips that you recall?

A. We went skiing and a flying trip, one Sunday afternoon to Pennsylvania, my home, flying trips that included [fol. 410] ... and Delaware in the airplane.

Q. Did Mrs. Greene go along on these trips!

A. A few of them.

Q. Did you ever go to Putney school?

A. Yes.

Q. Could you tell the Board what happened on that occasion?

A. Well, I stayed at Jean's mother's house there. One time when we were there, it was the wintertime, there was a ski hill over there at the side of the house, I was interested in skiing as Bill was and we spent most of the time outdoors skiing. That's all I ever did there, that's all Bill ever did there that I know of.

Q. Did Jean go along on these ski trips?

A. No.

Q. Now, going back to these groups that you would see

at Bill's house who you said were not engineers, did you get an impression that they were his friends or her friends or both?

A. I'd say they were her friends.

Q. So far as you could observe, was Bill friendly with them?

A. He was friendly with them to the extent that any

man would be in his own house.

Q. He was also friendly with them to the extent that when you came up he preferred to go up to the back bedroom and do drafting. Previously you said that there was, they didn't know anything about mechanics and such things was there any exception to that?

A. It's hard to say.

Q. Or do you recall any one of these people that you did

become acquainted with?

A. One man whom I met there that was going in the farm business. He said he was going to build a house or something in New Jersey. Bill asked me to help him with some mechanical problem in designing this farm which I did.

Q. In connection with this individual, does the name William Ludwig Ullman mean anything to you?

A. Yes, I know Bill.

Q. Is that the individual?

A. That was the individual.

Q. Now, you recall where he lived.

A. No, I remember it was roughly, it roughly in the Rock Greek Park section on the western side of our street corner. I don't remember the street.

Q. Was it his own house?

A. I believe he was boarding with some people.

[fol. 411] Q. Did you meet the people he was boarding with?

A. Yes.

Q. Do you recall their names? Would the name Silvermaster mean anything to you in connection with this individual?

A. No, I don't recall.

Q. But you did go to the house where he lived!

A. Yes.

·Q. And what did you do when you, on the occasions when

you'd go there, to this house?

A. Well, Ullman, as you say his name was, had a lathe and some other machinery in the cellar and he was building this radio for them and we'd go down and discuss the various engineering problems and designs in building this saw and that's what I did there.

Q. Ullman had photographic laboratory were you ever in that laboratory?

A. No.

Q. You say Ullman had a lathe at the time you knew him?

A. Yes.

Q. Did you have anything to do with this lathe?

A. Mr. Ullman finished this saw and moved to New Jersey, I believe. He asked me if I would be interested in keeping this lathe for him. He didn't want to put it in storage for fear it would get rusty and wouldn't be handled properly. He asked me if I would be interested in keeping it for him if I were allowed to use it. I was, and I did use it.

Q. What ultimately happened to the lathe?

A. I got word that he had decided to dispose of it and asked if I could find a buyer which I did and it was sold.

Q. Was it sold to a friend of yours?
A. Yes.

Q. Now, do you recall reading in the testimony when Mr. Ullman's name was mentioned in testimony before a Congressional Committee?

A. I remember reading about it.

Q. Was this lathe transaction before or after that?

A. Before that.

Q. Did you ever see Ullman after that testimony?

A. No.

Q. You were perhaps in Bill's house more than any other person from ERCO is that generally correct?

A. Yes.

Q. Did you get an impression that Bill and his wife were [fol. 412] or were not getting along if you got either impression?

A. I'd say that they weren't getting along.

Q. Did you have any idea of what the nature of the disagreement was?

A. It seemed political.

Q. Do you know any specifics of what they disagreed about!

A. She was very interested in unions and their organiza-

Q. And how did Bill feel about that?

A. He did not feel very strongly about it.

Q. s.....(1).....

A. I don't think I can answer to that,

Q. Now, after Mr. Greene separated and was subsequently divorced from Mrs. Greene, did you see him?

A. Yes.

Q. Do you know what kind of interests he had at that time?

A. Well, we still owned the airplane together. We still went on ski trips that fall and winter. He met his present wife very shortly after he left Jean and they spent a great deal of the time together.

Q. Do you know, in general, the people with whom he

associated at that time?

A. Yes.

Q. Who were they?

A. Myself and his present wife, basically.

Q. At this time you'd say he really associated with only two people, is that correct?

A. As far as I know I didn't see much of him at a time.

Q. Then his association with you was about the airplane?

A. That's right.

Q. And in the airplane?

A. That's right.

Q. He didn't own a boat at this time, did he?

A. No.

Q. Have you ever discussed political issues with Mr. Greene?

A. Very little.

Q. Now, you've been with him a lot, what do you talk about?

A. Almost entirely of boats, airplanes and our mutual interest in engineering and the problems associated with it.

Q Now, do you recall Mr. Greene's connection with General Homes?

A. Yes.

Q. Did you do any work for Mr. Greene on this project?

A. Yes.

[fol. 413] Q. What did you do?

A. I did engineering consulting work on tools for these homes.

Q. Did you ever meet Richard Sasuly?

A. The name is familiar but I couldn't say that I ever met him?

Q. Did you know that Mr. Greene had a partner in this consulting enterprise that worked on General Homes?

A. I've heard he did.

Q. From whom did you hear it?

A. Probably through Bill.

Q. But you never met the partner. Did you ever meet any of the others who were associated in General Homes?

A. Well, we went out to do this consulting work, people were there. They were the only ones that I ever met that were part of that crew.

Q. So you went to Columbus with Mr. Greene?

A. That's right.

Q. Did you and Mr. Greene, yourselves have some kind

of a business relationship?

A. We had what we called Greene Clements Laboratories which was merely a letterhead and envelope that we had printed up which was basically to buy parts for motorcycles and other machines at discounts. Just a device used sometimes of commercial houses to get things at a discount.

Q. What were you building?

A. Motorcycles.

· Q. Do you have a picture of that motorcycle?

A. Yes, I believe so.

Q. Is this a picture of the motorcycle that you and Mr. Greene built?

A. That's right.

Q. It's not material but do you want to look at it? Did you know about any other consulting work that Mr. Greene did.

A. I went with him to New York with him once to Mr. Currie who we did some work on. I believe it was a wire recorder Bill had never mentioned any details of it except

we went around to several factories where they were building such a device.

Q. Now, this wire recorder, of course, involved problems,

involved problems in electronics?

A. Yes.

Q. And the reason that Mr. Greene took you to New York with him was that he wanted your experience with electronies, is that correct?

[fol. 414] A. That and mechanical experience.

Q. And on that occasion you met Dr. Currie?

A. Yes.

Q. How long were you in his office, as you recall?

A. Probably less than an hour.

Q. Was anything other than this wire recorder discussed!

A. I couldn't say, don't remember.

Q. Did this relationship with Dr. Currie appear to be partly business and partly social or were, did they, Bill and Dr. Currie appear to be good friends or was it strictly a business association?

A. I'd say it was just business. That's all I can say I

don't remember it that well.

Q. Would you say that so far as you could see, that there was no more cordiality than you'd normally expect when two men do business together?

A. That's correct.

Q. Now, Mr. Clements going back to those of '46, were you aware of Mr. Greene's connection with the radio station?

A. I was aware that he, I believe, invested some money in the establishment of this station.

Q. What was this station?

A. It's WGMS now. WQQW, I believe, then.

Q. Did he ever talk to you about the station?

A. Very little.

Q. Did he ever ask you about radio equipment?

A. Yes.

Q. Was that about this time?

A. Yes.

Q. Did you take it, did or did you not have something to do with the station?

A. He gave me a sheaf of technical information on radio transmitters to look at.

Q. Bid you look at it?

A. Yes.

Q. Did you advise him about the information that he had given you?

A. I believe so.

Counsel: I think that's all now.

Chairman: Mr. Scanlon?

Mr. Scanlon: When did you return from Los Alamos to ERCO, Mr. Clements i

A. In 1945.

Q. From 1945 to the middle of 1947, you were a frequent [fol. 415] visitor in the home of Bill and Jean Greene?

A. That's right.

Q. Did you get to know Jean very well during that

A. Fairly well.

Q. How did Jean impress you insofar as her political theories were concerned, Mr. Clements?

A. Certainly radical.

Q. Could you tell me what you mean by the term radical?

A. Well, she was very interested in unions and the worker. She felt very strongly, I believe that she had something to do with a teachers' union in the District of Columbia.

Q. There was no basic difference in their loyalty to this country so far as could see?

A. So far as I could see.

Q. She was just as loyal as he was so far as you could see?

A. So far as I could see.

Q. Did you eyer see any Communist literature in his home on the occasions of your many visits?

A. No.

Q. Did you ever see any issues of the "Daily Worker" there?

A. No.

Q. "Soviet Russia Today"

A. No.

Q. Any works of Karl Marx?

A. No:

Q. Did you examine any of the books that he read while you were there?

A. Slightly.

Q. Then it's possible that these books could have been there without you seeing them, is that correct?

A. It's possible.

Q. Did any of your associates that knew Bill Greene and his wife consider that Jean Greene may perhaps have been Communist or strongly pro-Communist?

A. I don't ever recall them mention an opinion.

Q. So far as you were concerned then from anything you heard, she was just a perfectly normal loyal American!

A. That's right.

Q. Did you meet Jean Greene's mother and sister at any time

A. Yes.

Q. Did you consider them normal Americans too?

A. As far as I could tell.

Q. How about these friends of Jean's whom you saw so [fol. 416] frequently in Mr. Greene's home, did you consider them all to be loval Americans too!

A. As far as I could tell.

Q. Have you had any occasion since that time to change your opinion about them?

A. No.

QeYou still, so far as you're aware, feel that they're loval Americans?

A. So far as I'm aware.

Q. Is that true for Ullman also?

A. So far as I know.

Q. You still feel today that Ullman is a loyal American citizen?

A. So far as I know he is.

Mr. Scanlon: I have no further questions Mr. Chairman. Chairman: Capt. Singer?

Capt. Singer: I have no questions.

Chairman: Mr. Simms? Mr. Simms: No questions.

Chairman: I haven't got any questions. Mr. Bereuffy!

Counsel: Mr. Clements I just wanted to ask you one. In answer to one of Mr. Scanlon's questions, you said that

you considered Jean just as loyal as Bill, now, if the Board has information indicating that she was Communist or pro-Communist, would that, would you mean to imply by that that Bill had similar ideas?

A. No.

Q. Irrespective of what you think about Bill, about Jean over a period of years that you've known Bill in the course of this association with him, have you formed an opinion as to his own loyalty?

A. Yes.

Q. And what is that opinion?

A. He is a very loyal American citizen.

Q. Now, when you said that as far as you know Ullman is loyal, you, you do know now that Ullman was among the people who were mentioned before a Congressional Committee in connection with espionage, etc?

A. Yes.

Q. Do you consider unionism to be radical, Mr. Clements?

A. Some phases, yes.

Q. Do you consider her phase of union activities to have been radical?

A. I think so.

[fol. 417] Q. In what way, Mr. Clements?

A. I think that a person who isn't concerned directly with the situation as the teacher's pay in the District and a person as Jean was who had adequate financial means to become interested enough to spend a great deal of time and effort in that field. I don't think that's very normal.

Q. Don't you think that it was possibly a good cause for somebody of her social standing to attempt to help teachers

to get higher pay?

A. I didn't look into the problem enough for that.

Q. Now, in this time that's pinned down definitely why do you refer to this activity as radical activity Mr. Clements?

A. I'm afraid I can't give you a very definite answer to that.

Q. Did somebody tell you she was radical?

A. No.

Q. Just an impression you formed yourself?

A. That's correct.

Q. Did she impress you as being loyal to our American capitalistic form of Government?

A. I don't recall ever hearing anything said that would

lead me to believe either way.

Q. Do you feel that Mr. Greene's differences with her were based solely on the fact that she believed in unionism and he didn't.

A. I believe that was a great deal of the friction between

the two.

Q. Was there any other source of friction between the two other than the fact that she was pro-union and he wasn't?

A. It's the only one that I can recall.

Q. Now, when you say that so far as Ullman is concerned, as far as you know Ullman is loyal, do you mean you discredit the testimony before that committee or do you mean to limit it strictly to what you personally know about Ullman?

A. I'll limit it to what I know about him personally.

Q. So that the fact that such testimony is in existence would give you a viewpoint of Ullman now, would be different from the viewpoint you had when you knew Ullman in '45, is that, right or wrong?

A. That's right.

Counsel: I think that's all.

[fol. 418] Chairman: Thank you Mr. Clements.

Counsel: I'd like to call Mrs. Greene as a witness. She won't be a long witness.

Chairman: I assume that this is the present Mrs. Greene? Counsel: I was completely unable to produce the first

Ms. Greene.

Chairman: Is she in China tending cows?

Counsel: Please don't mix her up with her sister. The sister is the cow tender. The one that's in China looking after, breeding cattle, whatever it is she's doing.

[fol. 419] TESTIMONY OF DOROTHY SKINNER GREENE

Chairman: You come as a witness for your husband Mrs. Greene?

A. Yes.

Chairman: Raise your right hand and be sworn, please. Do you, Mrs. Greene solemnly swear that the testimony you are about to give in the case now in hearing shall be the truth, the whole truth and nothing but the truth, so help you God?

A. I do.

Chairman: Will you state your full name and address for the record please.

A. Dorothy Skinner Greene, 429 First Street, Annapolis, Maryland.

Counsel: And you're the wife of William L. Greene?

A. That's right.

Q. When and where were you married?

A. We were married March 27, 1948 at the Unitarian Church in Washington, D. C.

Q. Do you have any children?

A. Yes, we have two boys, two and three years old.

Q. And what are their names?

A. Robbie and Wally Green

Q. Mrs. Greene, a number of names have been mentioned in the course of this hearing and you have seen these names in the various documents. I'll read them over to you and ask you if you have met any of them—if you've ever met any of them. Nathan Gregory Silvermaster?

A. No.

Q. William Ludwig Ullman?

A. No.

Q. Lauchlin Currie?

A. Yes.

Q. When and how did you meet Lauchlin Currie?

A. I met him twice. The first time, both times before we were married. The first time we had flown to Boston to see my brother and when we came back we landed at Westchester Airport and we were weathered in and not far from his house and so my husband called him because at that time he was doing some consulting work for him and he came out to the airport, picked us up and took us to the train. During that time they discussed the consulting work the, my husband, that Bill was doing for him. The second

time, we were in New York visiting Bill's mother and we met him as he was coming from his office. Bill just wanted [fol. 420] to talk to talk to him for a moment to explain more fully why he had decided that he would_not go to work for him.

Q. Then how long did that meeting last?

A. I would say probably three minutes. The only thing I really remember from the meeting was that he made the crack that he was glad to see that he hadn't changed his mind about the girl.

Q. Martin Popper?

A. No.

Q. How about Richard Sasuly?

A. Yes, oh, I've had met Martin Popper too.

Q. How did you meet Martin Popper?

A. My husband, this was before we were married, Bill had some furniture stored at the Popper's house and wanted to stop by there to pick something up and so we did and while we were there Richard Sasuly came into the house too. We were there probably fifteen or twenty minutes.

Q. How about Elizabeth Sasuly?

A. No.

Q. Bruce Waybur?

A. No.

Q. Miriam Waybur?

A. No.

Q. Madeline I. Donnér?

A. No.

Q. Russell Nixon?

A. No.

Q. Isadore Salkind?

A. No.

Q. Samuel J. Rodman?

A. No.

Q. Shura Lewis?

A. Yes, I met her one day when we were on our way to church. This also was before we were married and we walked up the street with her about half a block. She was on her way to another church. I can't tell you what we discussed unless it was the weather.

- Q. How about Owen Lattimore?
- A. No.
- Q. How about Ed Fruchtman?
- A. No.
- Q. And Virginia Gardner?
- A. No.
- Q. Now other than those occasions that you have mentioned and described have you ever had any acquaintance with any of these people?
 - A. No.
 - Q. Did you ever meet Jean Hinton?
- A. Yes, at Bill's insistence I met her because he didn't [fol. 421] want her to be a mystery of his past and so in January of '48, I believe, I met her and we went for a walk in Rock Creek Park, maybe for a half an hour, maybe an hour, I don't remember.
- Q. Now, have you ever met any people that is friends of Bill's and Jean's before the separation and subsequent divorce?
- A. Yes, Julie Day is one and the Gibsons, Ben [Sam] Gibson and his wife, people from ERCO.
- Q. Now, since you have been married, has your husband done business with social entertaining in your house?
 - . A. Yes, many times.
 - Q. And in general what kind of people has he entertained?
- A. Potential customers of ERCO. We've had them over, maybe for dinner or maybe just come over for a drink between the time that they left ERCO and they had to catch a train and that sort of thing.
- Q. Since you have met your husband and since your marriage, has Mr. Greene heard in any way from any of the people whose names I read to you?
- A. I can remember one instance and only one in which Samuel Rodman called him and Bill told me about it that evening. He had called him at ERCO and told him about some construction work that he was doing and Goodwin [Goodman] was the architect and for that reason Bill seemed rather interested in it and I asked, I think Rodman invited him to come over and talk about it, something to that effect and I asked Bill if he was going and he said,

"no, I'm not interested", and we dropped it there and nothing more was said or done.

Q. Now was this before or after Mr. Rodman's name was

mentioned in the paper?

A. This was before. It was shortly after we were married.

Q. Was it before or after your husband had received any notice that his loyalty might be in question?

A. Before.

Q. Now, when friends come into your house for a party or an evening or for a dinner or any social engagement, is politics a frequent subject of discussion?

A. No, it is not.

[fol. 422]. Q. What do you mostly discuss with your present friends?

A. Sailing is one of the main topics of conversation, depending upon the friends it might be, music, it might be art, sking or flying, cars.

Q. What kind of music is your husband interested in?

A. Classical, I think.

Q. Any particular composers that you would think of.

A. I think Berlioz is his favorite composer and it could be any number who would be a close second probably.

Q. Now, Mrs. Greene, one of the matters mentioned relates to literature that was in your husband's home prior to his separation from Jean Hinton and the particular publications listed are the "Daily Worker", "Soviet Russia Today" and "In Fact" and there's one book Karl Marx's "Das Kapital". Since your marriage have you or your husband ever subscribed to any of these?

A. No, never.

Q. Have you ever seen any of these?

A. No, I haven't.

Q. What kind of periodicals do you subscribe to?

A. We subscribe to the "New Yorker", "Yachting", "Holi-day", "Parent's Magazine", (...) Flying Magazine, no we don't subscribe to that, we buy it frequently, an engineering magazine, "Home Economics Journal", I think that's all.

Q. Now, to the best of your knowledge, Mrs. Greene, do you have any Communist books or literature in your home!

A. No.

Q. When you moved from Paint Branch Farms to An-

napolis, did you own some books?

A. Yes, we did. And we did not have room for them where we are now living and so we stored them with the Fishers who are very good friends of ours.

Q. That's Mr. and Mrs. (.....) Fisher!

A. That's right.

Q. Did you put all of your books in the Fisher house!

A. Yes, we did.

Q. Did you make any selection of what books you put there or what?

A. No, we sent all our books to their house.

Q. Now, at your request, did Mrs. Fisher make a list of the books which are stored there?

A. Yes, she did.

[fol.423] Q. I'm going to get you some papers and is that list in Mrs. Fisher's handwriting?

A. Yes, it is.

Q. Have you looked it over?

A. Yes, I have.

Q. To the best of your knowledge is it a complete list of the books?

A. Yes, it is.

Q. And did you ask her to make an absolutely complete list without any exceptions whatsoever?

A. I dared even going to their, most of our books were left in the bookcase. There was one box of books, textbooks, chiefly, that we put in a box and put in their and I even asked her to go up there and go through the boxes and find those, which she did.

Q. Now, I just want to ask you a general question as honestly and as briefly as you could, if you'd tell the Board what your husband's political viewpoint as you have observed it is.

A. Well, I would say that he was a Democrat on the conservative side and to illustrate that I might cite a few instances. During the 1948 election campaign, he enjoyed Ickes statement very much and agreed with him whole-heartly when he said that Wallace was out because of his Communist backing and then he went on to Dewey and Truman stating his opinion of them. During the time of

the Berlin Airlift, I remember my husband stating that he felt the Russians were being obtuse and stupid. At the time of the Korean outbreak, at which time there was considerable discussion in the press and radio about whether or not the United States should have acted prior to the time that the U.N. took action, Bill definitely felt that the United States had no alternative and had to act first when they did.

Q. Just one more question, Mrs. Greene, are you now or have you ever been a member of the Communist Party or any Communist group?

A. No, I have not.

Counsel: I would like to offer this list of books.

Chairman: Received as exhibit twenty-two.

Counsel: I might state to you, there's a typewritten list just so you can read it a little more easily.

[fol. 424] Charman: Have you concluded your examina-

Counsel: Yes.

Chairman: Mr. Scanlon?

Mr. Scanlon: Mrs. Greene, could you tell us briefly what you've learned concerning the basic difficulties that led to the failure of your husband's first marriage?

A. Well, I understand there were lots of disagreements on lots of different things. I don't know that I've tried to understand that too well.

Q. You were never particularly interested in that?

A. What?

Q. You haven't been particularly interested in knowing why it failed.

A. Only insofar as I felt that if it failed that there was nothing that my husband had done that would—might make our own marriage fail. I don't, I certainly never have been overly curious about it.

Mr. Scanlon: I have no further questions Mr. Chairman. Capt. Singer: I have no questions.

Mr. Simms: No questions.

Chairman: I would like to ask you one or two things of Mrs. Greene. Did your husband ever tell you that Jean Greene or Jean Hinton was a radical or Communist or anything of that type?

A. He has told me that she was very interested in labor unions and that she—he has also spoken of a number of her friends being the type of people that he didn't care about and one very good reason was that that was one of their chief interests and that it was the only thing to do that Jean wanted.

-Q. Well did he ever give you the impression that she was

either a radical or a Communist?

A. Well, he'd say to the contrary but he has frequently said that he felt very sure that she was not a communist while she was married to him.

Q. So that he definitely stated to you that as far as he knew, she was not a Communist?

A. Oh, yes, he has stated that a number of times.

Q. Is there anything at all in your husband's present actions that would lead you to indicate that he is either a radical or a Communist?

A. No, there certainly is not.

[fol. 425] Q. You aren't saying that because you're married to him, are you?

A. No, I'm not. I honestly believe that.

Q. You'd think you'd recognize such actions?

A. I do think that I would recognize it.

Q. You don't go out when your husband has company? You spend a lot of time with him, don't you?

A. I certainly do.

Q. As differentiated from his present wife, I imagine that you heard the fact that his present wife did not spend much time with him?

Mr. Simms: You mean former wife, past wife.

Chairman: Former wife?

A. Yes, sir, I heard words to that effect.

Q. You spend a lot of time with him?

A. Yes, I do.

Q. And with his friends?

A. Oh, yes, our friends are mutual.

Q. He spends a lot of time with your friends?

A. Oh, yes, our friends are mutual.

Q. And there's nothing in your relationship, since you've

been married that would indicate to you that he is either a radical or a Communist or anything left of center even?

A. No, indeed not.

Q. Alright, thank you Mrs. Greene.

Capt. Singer: I have a question Mrs. Greene, you mentioned that just prior to your marriage and in January of '48, that you had a walk in Rock Creek Park with the former Mrs. Greene?

A. That's right.

Q. In that discussion which I believe you said lasted about half an hour, did she tell during that conversation anything regarding her political views?

A. No, we took Bunker, a Chesapeake Bay retriever along with us and he occupied the entire conversation because he kept leaping up on her. As far as I can remember, nothing else was discussed.

Q. In other words, all it was, was just a social conversational say and the purpose of it was that he, your husband, felt that you should meet his former wife.

A. That's right.

Q. It was not to discuss political views or anything like that?

[fol. 426] A. Oh, no.

Counsel: Did you look forward to meeting her Mrs. Greene?

A. No, I didn't and I didn't particularly care to.

Chairman: Thank you Mrs. Greene.

OFFERS IN EVIDENCE

Counsel: I might say that outside of your evidence a few pieces of paper I would like to hand to you and the testimony of four witnesses that I'd like to ask you to incorporate in the former record. We have nothing more

Chairman: In other words, the only live witness you have is Mr. Greene?

Counsel: That's right.

Hearing adjourned.

Counsel: From Admiral C. M. Bolster, retired who was at the time of Mr. Greene's last employment the Deputy Director of the Bureau of Research and I would like to offer that, I guess it would be number 25, wouldn't it?

Chairman: Twenty-three.

Counsel: And there was an exhibit in the previous transcript of which I do not have a copy which was prepared by Engineering and Research showing their sales to Russia. I would like to have that if I may, made a part of this record.

Chairman: Yes, sir, the record will note that we will make it a part of the record. I was just looking at it yesterday. We have that in the appendage to the last hearing, is that right?

A. Yes, sir.

Chairman: We will make it a part of this record and we'll consider it.

Counsel: And there were four witnesses who testified in the previous hearing. The first one was Mr. Winkler who is the Personnel Manager and Security Officer of the Engineering and Research Corporation. I didn't bring him because there was nothing that I thought I could add to that testimony in the previous hearing May that be made [fol. 427] part of the record of this hearing?

Chairman: We have the testimony of R. M. Winkler and

assume that's the one you're referring to?

Counsel: Yes, sir.

Chairman: That will be made a part of this record.

Counsel: Now, with reference to three others who testified briefly and only on the point of Mr. Greene's work, Col. John Robertson, Admiral T. A. Saldberg, and Brig. Gen. Dissisway, may their testimony from the previous hearing be considered a part of the record in this hearing.

Chairman: Yes, sir. Let me say at this time that we understand that we will incorporate this by reference in the record. This Board will consider it but I don't think it would be necessary to have the typist copy the testimony in this record in view of the fact that we have both records which will be the record of the case.

Counsel: Yes. That's all I've got.

Chairman: Now, do we understand that you have concluded with the direct examination for the time of Mr. Greene, is that right, sir?

Counsel: I have concluded all the direct evidence I intend to present. My understanding that Mr. Greene will now be cross-examined subject possibly to redirect examination when you gentlemen are finished with him.

Chairman: Yes, sir. Mr. Scanlon do you wish to inquire!

TESTIMONY OF WILLIAM LEWIS GREENE (resumed)

Mr. Scanlon: Yes. Mr. Greene before beginning the cross-examination, I think it's only fair for me to state to you that in some ways (......) in this case before the Board, I have not only concentrated on this period of your first marriage showing the associations of yourself and your first wife, Jean, but I have also indicated to the Board that I can demonstrate in discussing this case that your previous hearing and so far as this hearing that you haven't been entirely truthful to the Board that you have not given us all the facts relating to that period in your life. With that warning and for whatever comfort it might be to you, I'll proceed now with the cross-examination, but first I want [fol. 428] to remind you sir, that you're still under oath.

Mr. Greene: I realize that.

Q. Calling your attention first, to the Board's letter of 9 April 1952 addressed to Mr. Berueffy setting out therein some fifteen items of information that the Board will consider at this time. I would like to take up first item number one thereon which reads: "During 1942 SUBJECT was a member of the Washington Book Shop Association, an organization that has been officially cited by the Attorney General of the United States as Communist and subversive." In testifying a couple of days ago, I believe you admitted the truth of that allegation?

A. That's right.

Q. You indicated at that time that you had taken on a membership at the Washington Book Shop Association on a payment of one dollar in dues sometime late in 1942 for the specific purpose of buying books for Christmas presents for your wife's family, is that correct sir?

A. Books and anything music.

Q. You testified that that was done late in 1942?

A. The reason for my so testifying is that it's pretty clear to me that it was done before I married my first wife.

Q. And you tie it now to the Christmas period when you were buying Christmas presents?

A. Well, just prior to that period.

Q. Information that we have from a reliable source, Mr. Greene, is that you paid dues to this organization from 29 June 1942.

A. Well, that is possible that might be so. I just don't

remember the date.

Q. Therefore your purpose in joining the Washington Book Shop Association could not have been the buying of

Christmas presents, correct?

A. That is right if that is the date. If I bought it then and I believe your information, then I must have bought it, joined for buying things at a different time. I remember distinctly that when we discussed it, I believe it was with my wife and some friend of her's who asked me to join or she asked me to join, she wasn't my wife at that time, the advantages of the discount was pointed out to me.

Q. Now, I'll proceed to item number two of the Statement [fol. 429] of Reasons in the letter which reads: "SUB, JECT'S first wife, Jean Hinton Greene, to whom he was married from approximately December 1942 to approximately December 1947, was an ardent Communist during the greater part of the period of the marriage. Now, Mr. Greene, I believe that you have repeatedly stated both to the other Board and to this Board that you were unaware of the fact that your first wife was a Communist during the period of your marriage to her?

A. That is absolutely so. During that period I was com-

pletely unaware that she was a Communist.

Q. You stated also that at no time did you have any

reason to suspect that she was a Communist?

A. During that period I had no reason to suspect that she was a Communist, that's right, to the best of my recollection.

Q. Now, you have heard several of your friends testify in

here in the last couple of days that they suspected she was a Communist, is that correct Mr. Greene?

A. That is, I believe so.

Q. Some of your friends, I believe were a little afraid of the word Communist and insisted on using the word radical instead. Others like Mr. Burliner, were a little more frank and said Communist. But several of them did testify that it was their opinion of your wife and that that opinion was shared by others at ERCO, is that correct?

A. Well, I don't remember their testimony exactly but

I gather that impression.

Q. Now, you have admitted among other things that you found various publications in your home from time to time that you picked up and read such as the "Daily Worker", "In Fact", "Soviet Russia Today" and other radical literature. Didn't this literature give you any reason to suspect

that your wife was a Communist?

A. This is a difficult thing to explain. To me, at that time, a Communist was somebody that went to Communist Party meetings and belonged to the Communist Party and said they were a Communist. Now, I would have suspected that my wife was a Communist since we did live together and shared many things together in our activities, that she had once said to me that she was or that she was going to be one or would I be one but she never did. Now, [fol. 430] since that time, I would say that her inclinations were definitely along those lines and she might be one today, I don't know. But during that period she never once said she was, she never said once that she intended to be one and she never once asked me if I would be one.

Q You've stated that you read some of the issues of

the "Daily Worker"?

A. That is correct.

Q. Now, let me read you a characterization of the "Daily Worker" taken from an official source, "No other paper no publication of any kind in all American history has ever been loaded with such a volume of subversives, seditious and treasonable utterance as has this organ of the American Communists". Did you get that impression of the "Daily Worker" when you looked at it?

Q. I'd like to point out one thing that the only period

in my life that I ever read one "Daily Worker" and I'm pretty sure of this, was during the war years, not after 1945, to the best of my knowledge. And during that period I read the "Daily Worker" but it seemed to me that the bulk of it was concerned with war news. Now, I didn't read it carefully, I didn't read the articles through. It was more or less reading the headlines.

Q. Mr. Greene, that characterization that I've just read to you was written on March 29, 1944, it was in the middle of the war. You testified that you picked up the publication "Soviet Russia Today" and looked through it and satisfied yourself that it was one hundred percent Russian

propoganda, is that correct?

A. I satisfied myself that it was pro-Russian and for that reason had no further interest in it.

Q. Didn't that indicate to you why your wife was buying that magazine? That she, herself, was pro-Russian?

A. I would say that she was pro-Russian to that extent,

yes, sir.

Q. Incidently, did you at one time subscribe to the publication "Corps Diplomatique" I'm not sure about my pronunciation.

A. I've a very vague recollection of it. I don't believe I subscribed to it but I believe a neighbor of mine was interested in publishing it and may have given it to us. I

[fol. 431] have a very vague recollection of it.

Q. The information that has been furnished to this Board as a result of an investigation is that you subscribed to that magazine and that that subscription was cancelled in favor of a subscription to the magazine "Soviet Russia Today", "Corps Diplomatique" having been characterized as an allegedly unbiased international paper. Do you wish to make any comment on that?

A. I have no recollection of that incident. I remember the name "Corps Diplomatique", but I remember our neighbor was connected with publishing it. That's the

only recollection I have of it.

Q. You heard that a Mr. Berliner accepted an accurate statement of his previous testimony to the F.B.I. that his impression of your wife was that she had a mission in life to perform for the Communists, is that correct?

A. I heard him say something, I heard him repeat what was in the previous testimony that he gave to the F.B.I., that is true.

Q. Inasmuch as Mr. Berliner could gain such an impression of your wife in such a brief acquaintance with her that he had, can you account for the fact that you failed to gain a similar impression after five years of marriage?

A. Look, don't forget we did get divorced even though the divorce was not on the basis of her being a Communist, it was on a basis of difference of opinion on most everything that came along and at the start of our marriage it was one feeling and it gradually grew into this other. Now, I mean, I don't know what I could do other than divorce my wife when there is a difference of opinion.

Q. Well, Mr. Greene, I'd like to point out to you that the record indicates that you didn't divorce your wife that

vour wife divorced you.

A. That is correct.

Q. It was her decision to get this divorce and that you

pleaded with her not to get the divorce?

A. I pleaded with her on the basis of our staying up in Putney and engaging in the type of life, rural life that was available up there. When the decision was made it was unanimous by both parties. If I didn't want her to get a [fol. 432] divorce when she went to Reno, I had a very simple procedure I could have boarded there but from the time she left me, we discussed what should be done and it was decided that she would go to Reno because it was impossible for me to do sp and still maintain my position at ERCO.

Q. It is your contention that she invited you just before she left Putney and that you were in agreement with her

at that time?

A. No, the meeting in Putney consisted of a discussion of the immediate separation and I don't remember the exact details but it was decided that she would take the action to make it irrevocable ultimately.

Q. When was that decided?

A. When was what decided?

Q. That she would take the action to go through with the divorce?

A. Well, it wasn't any clearcut single instant. At the station when I said goodby to her, we discussed the dog (..........) and I said, "if, and when the divorce goes through, I will keep this dog". That was probably the first time we actually discussed divorce. That was the Putney station at Putney, Vermont, in the summer of 1947.

Q. In discussing this with special agents of the Federal Bureau of Investigation several years ago, Mr. Greene, you advised them that you had taken your wife to Putney, Vermont in an effort to get your marriage back on the

same basis which it has been at one time?

A. That'is correct.

Q. You told these agents that your wife suddenly left you in Vermont and you had no idea where she went until she called you one time from some out-of-town

A. I don't remember saying that.

Q. According to the information in the Bureau report, you stated that you subsequently received a call from her at which time she stated that she desired to secure a divorce. You told the agents that you pleaded with her to return but she refused and finally went to Reno where the divorce was secured. Is that a substantially accurate statement of your testimony to the Bureau agents?

A. I'm not sure that it is. As I remember what happened, one thing I would like to point out, I was being questioned hot and heavy at that time with no previous notice and it's possible I said that to the agents in trying to [fol. 433] summarize a long drawn-out thing very briefly. I'm not sure whether I knew she went to Pittsburgh or not when she left me, I just don't know. It seems to me that Io did know that she was going to Pittsburgh or Chicago. I don't remember which but I wasn't sure. I did plead with her to try and build our marriage up to the same basis it was in when we first got married. That is correct. I said, and if I remember correctly I told the F.B.I. men that it was a matter of pride with me. I hated to admit that I just couldn't cope with that problem.

Q. As a matter of fact, Mr. Greene, this whole decision on the divorce was taken by your wife. You finally acquiesced to it when you saw that it was no use in opposing her any further, is that correct?

A. As I testified yesterday, we had a particular argument that culminated in her saying, "well now it's hopeless we have to go through with it." This was not a new thing. We had discussed divorce in 1946, the summer of 1946 because I remember the incident clearly. I went on a flying trip with Joe Clements to St. Louis. When I came back my wife said to me at that time that she had considered that the marriage was hopeless and at that time we went on a trip to Cape Brenton Island up in Nova Scotia with the same idea in mind of getting away from Washington and talking the thing over. We went with her mother and had a thoroughly enjoyable time and the result of that, I thought, maybe my approach to the problem was a correct one in trying to save the marriage. So, it was not, original in 1947. It was one that was quite conscious to me prior to that and unless you've been through a divorce, it's hard to understand. A divorce doesn't happen overnight. It takes a long series of events that build up to it. You just can't walk out and say that's all over. You have property. We had a very substantial thing to settle and that was the dog. I don't know whether you can understand that but we had a large Chesepeake Bay Retriever which, I guess you might say, the dog took the place of a child which we had nursed for quite a few years and we were both attached to that dog, and it's all those problems that make if difficult to just say it's all over. You try and do something about it.

[fol. 434] Q. I'm going to depart from this conduct before the divorce for a little while Mr. Greene, with the option of coming back to it later. I want to go back right now to the literature that you and your wife had in your home such as the publication of the writing of Karl Marx which you've indicated knowledge of being in the home. Didn't that indicate to you very strongly your wife's interest in

A. To be perfectly frank on that one book, I admit that having the "Daily Worker" there was an indication of

Communism?

radical leanings and curiosity about that type of material. I remember in college, although I never read it, that it was discussed in an economics course, or something, as one of the textbooks of economics and frankly that particular book did not arouse any undue suspicion.

Q. Is that the only radical book you ever saw in her,

home, Mr. Greene?

A. I don't think so. I think there were some others. The names I just don't even remember but there were other books there that were her own personal property and as far as I know she never put them around or anything else.

Q. You weren't completely ignorant of the existence of Communism at that time, were you? You've had brushes with Communism in the past, you've told us, when you were going to school in New York University. You mentioned breaking up some Communist meetings (interruption)

A. No, no, they were not Communist meetings nor were they as far as I can remember where they called that. They were peace strikes and it seemed to me that most of the art as opposed to the engineering students took part in them I never thought of them as being Communist.

Q. What was your purpose then in introducing them into this hearing if you didn't think they were Communist meet-

ings?

A. I tried to build up a picture what I was like.

Q. Don't you know for a fact that those peace strikes back in the middle "thirties" were organized and lead and

controlled by the Communists, Mr. Greene?

A. I honestly do not. At that time, I, it's hard to believe to a person that's trained otherwise that a person like [fol. 435] myself could be so ignorant of those matters. I learned (interruption)

Q. Personally I find it very hard to believe, sir.

A. Well, if you spend all your time flying, sailing, and painting and doing things like that you just don't get to know about those things.

Q. I'd like to read to you a quotation from the testimony of a person who had identified himself as having been a very close friend of yours over a long period of years. He states that you, as saying to him one day that you were

reading a great deal of pro-Communist books and other literature. Do you wish to comment on that?

A. I can't imagine myself making a statement like that. That's my only comment on it. I'd like to point out one thing in connection with that. I read books and I mean, I read and whether I read books that would fit that description or not, I don't know but I can't imagine myself making such a statement, unless it was a jest or something.

Q. Incidently this man's testimony concerning you was entirely favorable in one respect. He stated that he didn't think you were a Communist but he did state that he thought that you had been influenced by Jean's viewpoints and that he had received impressions definite that it was your wife who was parlor pink and that you were going along with her.

A. I think that expression parlor pink which I've learned to come to know what it means since that time at that time is probably a good description of my feelings towards her. I thought she was a person who felt he had to save the world.

Q. This same friend testified that he believed that you were influenced by Jean's wild theories and he decided at that time to have no further association with you and your wife and he did not have any further association until your second marriage at which time he said he found you to be a completely different man, including/your viewpoints. Do you wish to comment on that?

A. There is no question in my mind that I was influenced by Jean. As I said before, I was a very intolerant person about other races and other nationalities, foreigners, people from other countries and she did influence me that way to seeing that these other people were people like myself and while I didn't I haven't still overcome some of my intol-[fol. 436] erance, I was influenced that way but (interruption)

Q. Mr. Greene, this man wasn't speaking about tolerance, social welfare and things like that. He was talking about Communism and he did indicate that you were influenced by Jean's pro-Communist beliefs and that when you finally split up with Jean, his exact phraseology that you regained your balance. Here's another man who indicates that he

has been a friend of yours over a long period of time who states that he was a visitor in your home on occasions and that regarding some of these visits, he met some of your wife's friends, these people we've been talking about in the past and that one occasion, he mentioned in particular, the topic of conversation was China and that you set forth in the conversation and there seemed general agreement among all of you at that time that the revolutionists in China were not actually Communists but were agrarian reformists which as you probably know is part of the Communist propaganda line of several years back. This man further stated that he considered you misguided in your political views at that time but since the termination of your first marriage, you've completely changed in this respect. Do you wish to offer any comment on that before I go on?

A. Well, my wife may told me that they were agrarian reformers. I wasn't interested in the problem particularly and if there was a conversation about it, I wasn't going to start a fight about something I didn't know. I didn't know what they were. Since then actual, historical events have shown what they are. I didn't do research on the project in any shape or form so I had no way of forming a definite opinion pro or against. I heard people talking about it and I took that as their opinions and didn't enter into an argument because I wouldn't know what I was talking about one way or the other.

Q. Mr. Greene we've got some information here indicating that during the period of your marriage to your first wife that she was constantly finding fault with the American institutions, opposing the American Capitalistic System and never had anything but praise for the Russians and everything they attempted to do. Did you find that to be

[fol. 437] the case?

A. I would say she criticized the American institutions such as segregation, she was overwhelmingly in favor of the labor union side of the argument of labor unions against management which I felt was too extreme. I thought that management was necessary and had a lot of valid arguments on its side. During the war years, she was interested in Russia's success in the war, not unusually so, since we seemed to be allies at the time and toward the end of our

marriage, I felt that she was taking the Russian side of the argument-a little more or more than the American side.

Q. Didn't you find that as a matter of fact between the years 1945-1947, that she was constantly taking the Russian side as opposed to the American side?

A. By the end of our living together, period of our living together, I would say that it was getting to be as opposed,

yes, sir.

Q. And that still didn't (.....) to feel that she was a Communist?

A. No, sir. First let me say, if I thought she was a Communist, I'd be glad to say so. I'm trying to be utterly truthful in this thing to the best of my recollection and I didn't think she was a Communist because she didn't seem to go to Communist meetings. Now, at that time, that was my idea of a Communist—somebody who took part in Communist activities.

Q. Where did you think she was going to on all these occasions when she was absent from home that you told us about?

A. It was right before our separation that I had cause to wonder what kind of meetings she went to but before that time, I had pretty good information that they were not Communist meetings in that very often she would tell me that she was going to a meeting. Then I would say, "can I pick you up after the meeting," and on no occasion can I remember did she say, "no, don't pick me up," and when I would go to pick her up, it was quite obviously a meeting of the teacher's union or at the C.I.O. office on Connecticut Avenue and at no time did these meetings have any tinge or name of Communist Party. Now, the fact that I could go and get her without her knowing I intended to do it until I asked or indicated that the meetings, were at least [fol. 438] public to the extent that she wasn't trying to hide anything from me. There was only one thing she went to which I couldn't confirm because I didn't go to and that was just shortly before our separ-, before our going to Vermont, prior to our separation and that was a meeting up in Pennsylvania which she told me was a C.I.O. union meeting.

Q. We have a statement here from another witness with

respect to yourself in which he states that you felt that the modern people in this country were too rich and powerful, that the capitalistic system of this country was to the disadvantage of the working people and that the working people were exploited by the rich.

A. I can't believe that I ever made that statement because I spent all my life trying to make the maximum amount of

money that I could.

Q. I have a statement from another one of your associates to the effect that you would at times, present to him a fellow-traveler argument. This man indicated to us that he was pretty well versed on the Communist Party line himself at that time and found you parroting arguments which he assumed that you got from your wife. Do you wish to comment on that?

Q. Well, this reference I made to the Chinese Communists being called agrarian reformists was part of the Communist Party line at that time. An argument along that line could be referred to as a fellow-traveler argument,

could it not?

A. What I know, now, definitely.

Q. In that particular period 1946-1947 the Communist Party line was violently opposed to operation of the Marshal Plan in Greece and Turkey, I believe. They argued prominently against it and anybody who had similar arguments could be said to be following the Communist Party line, could they not?

· A. If that's the reason they argued against it, I would say

so, ves sir.

[fol. 439] Q. Aren't you aware that during that period the Communists were violently opposed to our intervention in Greece and Turkey?

A. I don't know whether that was the exact period but I know that the Communists were opposed to our intervention in Greece and Turkey. I imagine there were other

people besides Communists who were opposed to it, but I know the Communists were.

Q. You recall that definitely?

A. Why, it sticks in my mind now. It would be that they were opposed to it because it was against their interests. I imagine other people might be opposed to it for other reasons. I just don't know.

Q. In our discussion the past few moments, we have touched on items three and four in the letter of 9 April 1954, so I'm going to skip over now and go on now to item five which has reference to the Metropolitan Broadcasting Corporation I believe was station WQQW. If you like I could read this item to you or I see you don't have a copy of the letter in front of you.

Mr. Greene: Can I use your letter for reference?

Mr. Scanlon: Certainly, sir.

Mr. Greene: Yes, sir, I've read it.

Mr. Scanlon: You've told us Mr. Greene, that all you know about this radio station was that it was an organization concerned, pardon me, you've indicated to us that you thought that radio station WQQW had for its principal purpose programming of good music, classical music and you thought that would appeal to the general public in Washington?

A. That is correct.

Q. Didn't their principal part of the prospectus that you furnished as exhibit the other also include what they called unbiased news programs and programs telling controversial subjects?

A. Frankly I haven't read the prospectus since I received it when it was put out. I didn't even read it before it was an exhibit, I glanced through it. I would have to look at it but if you say it's there, I take your word for it.

Q. The purpose of this radio station then was not altogether offering the people of Washington good music.

[fol. 440] A. I'm looking out the prospectus said that but to my mind the principle thing that stood in my mind was the opportunity to listen to music without interruptions.

Q. Did you ever listen to any of the news bulletins by this station?

A. No more than I listen to news programs on any other stations. What would happen, the reason I would say I listen to news programs, if I'm listening to a concert and at the end of the concert there's a news program and then another concert starting, I couldn't help but listen to them. As far as I can remember and it still goes for this station which I listen to regularly under name of WGMS, is that their news came from the Associated Press. At least they said when the news broadcasts came on, "This is Associated Press News".

Q. You also told us in your testimony the day before yesterday that your decision to invest money in that radio station was solely your own decision that you mentioned it to your wife and that so far as she was concerned, it was alright you were spending your own money but actually it

was the decision to invest was your own decision.

A. If I said that it wasn't correct because I remember I did discuss it with my wife and I believe the first time I heard this, but I'm not sure of this, was when she mentioned it, but I'm not sure of that point but I know I discussed it with my wife because, well, when you're married to somebody you talk about what you're doing from day to day. You don't write a check for a thousand dollars without discussing it, even if it is my money.

Q. Well, unfortunately I have only my notes here I don't have a transcript of the testimony, but my notes indicate that you said that this was solely your decision and once your mind was made up you told your wife what you were

going to do and she agreed, it was all right.

A. The decision to spend the thousand dollars was mine. I don't go spending a thousand dollars on somebody else's

decision, I assure you.

Q. Now, I would like to read to you the report of your interview with F.B.I. agents on this particular topic. The report indicates, "Greene advised that Jean had persuaded him to invest money in this station stating it was a good investment and in support of a good cause". Do you wish [fol. 441] to qualify your statement any?

A. I think that's perfectly consistent. We discussed it. She said it was a good thing. She liked music just as much as I did. She may have had other reasons that I don't

know about but the decision was mine to spend my money. She didn't tell me to spend the money.

Q. The statement here Mr. Greene that Jean persuaded

you to invest in this station.

- A. Well it might be a way of phrasing. We discussed it but I know I don't spend a thousand dollars on someone else's decision.
- Q. Let's go on to item six of the Statement of Reasons concerning the letter (.......................) concerning the Southern Conference for Human Welfare Dinner in April 1947. You've indicated that you attended this dinner at the urging of your wife, is that correct?

A. That's correct.

Q. You stated that many respectable and responsible people attended this dinner and you offer an exhibit to establish the accuracy of your testimony. You have not indicated to us what the nature of the discussions were at the dinners at that time. Do you wish to go into it now?

A. If you want me to, I'll be glad to.

- Q. I'd like to know what you recall about the discussions at that dinner.
- A. It was a long time ago and the way I recall that dinner was that the general discussions based on what the speakers said was how to get the South on its feet industrially and economically and build it up so that the standard of living would be raised there. And they discussed what you could do to accomplish that end.

Q. The entire discussion program at the meeting was concerned with the industrialization of the South, is that

correct?

A. I can't say that's correct, I just don't remember what (interruption)

Q. That's substantially what you testified to before the

Industrial and Employment Review Board in 1952?

A. If I did, that's what I said and that's the point that sticks in my mind most clearly was how to get the South strong economically.

Q. I'd like to read to you what the record shows concerning some of the discussions at that dinner, Mr. Greene. [fol. 442] President Truman's foreign policy in Greece and Turkey came in for abuse at the annual meeting of

the Conference in Washington, City of Washington, D. C. on April 7, 1947. J. Raymond Walsh, a frank apologist for the Communist line, speaking for the Southern Conference in Washington berated President Truman's foreign policy in Greece and Turkey. Later on in his speech, Mr. Walsh called upon the members to defy fear and defy the forces who made the empty tables here tonight and he admitted that some people had been afraid to come to that meeting, he didn't say why. Further on in the conference, the president of the conference, Clark Foreman was acting as toast-master according to this report denied that anyone is afraid of Communism. Do you recall anything like that going on at that meeting?

A. I have no recollection of that.

Q. Looking back on it now and the information then given to you, don't you feel that this meeting may have been very far afield from the industrialization of the South?

A. I would say if that was the principal subject of dis-

cussion, it would be.

Q. But you have no recollection that speakers at this meeting blasted the Truman policy of aid to Greece and Turkey which we agree was the Communist line at that time?

A. There's nothing sticking in my mind reminding me of

that.

Q. Mr. Greene, I believe you testified also at your previous hearing that you made a contribution to this organization at the time of this dinner. Do you recall that?

A. I'm not sure I testified that I did. I said it was perfectly possible that I did. I don't remember it but I might very well have done it and for this interest of truth, I'd say

I might have and I wouldn't deny that I did.

Q. Let's go on to item seven of this letter concerning contacts, pardon me, I'm going to skip that temporarily. Let's go down to item eight concerning contacts with Vaso Syrzentic. You stated the day before yesterday that you had only one contact with Syrzentic, is that correct?

A. To the best of my knowledge I had one contact when we went to the Embassy, Yugoslav Embassy, it's possible that we went twice there. Now, I don't know what contacts Mr. Sasuly might have had with him but I had a difficult

[fol. 443] time the first time I heard his name even remembering who he was and it wasn't till he was associated with Yugoslav that I realized that very likely it was in connection with this pulpwood and plywood project for Yugoslavia.

Q. Well actually you were minimizing your contacts with Syrzentic when you said you had only one, is that correct?

A. I remembered only one.

Q. At the time that you spoke to the F.B.L. agents the time I referred to previously, you mentioned twice going

to the Yugoslav Embassy?

A. That is perfectly correct I know I went to the Embassy there is absolutely no argument about that. The second time, if two were the only times. Let me start over again coherently. I know of, it's clear to me that I went twice. One time we saw a man, the second time we saw a woman who must have been a secretary there and she spoke to us. Now, those two incidents are perfectly clear and it's perfectly correct to say that I went there twice, that I know of.

Q. We have further information here Mr. Greene, from an informant who tells us that he recalled that you advised him on one occasion that you possessed a diagram for wood products which applied to Yugoslavia but it was and that you felt you should give it to Dr. Syrzentic in some way. Do you recall whether your felt that it would be better to tell Syrzentic that a wood man had sent it and that it should be added to the information you had given Syrzentic earlier.

A. I think that it's the most truthful thing that anybody could possibly say.

Q. Could you tell us why, Mr. Greene, you didn't want

Syrzentic to know this came from you?

A. Because it didn't. I was telling the truth. It came from a wood expert that we paid, promised to pay if we got a job to make it up. I don't know anything about wood. I'm not qualified to do that. In our prospectus, I believe, to the Yugoslavs we said we would call in experts and we did. In this particular case, I got hold of a wood expert and asked him to make up a chart. In fact, I even have the chart kicking around somewheres.

^oQ. Why was it you wanted this delivered to a third party [fol. 444] Mr. Greene rather than deliver it directly yourself?

A. Because I didn't have the direct contact. That was

not my position, in the company, in the partnership.

Q. Was it because you were making a conscious effort to keep your connections with Dr. Syrzentic from becoming known?

A. Absolutely not. I had no idea who he was. I had no

idea that there was anything bad about him.

Q. This information indicates very clearly you not only didn't want to contact Dr. Syrzentic yourself but neither did you want your name used?

A. I don't see how that's possible. My name was right

on the letterhead of the letter we sent them.

Q. Now I'm going back to item seven of this letter, Mr. Greene, concerning your contacts with various officials of the Soviet Embassy. Major Constantine Ovchinnikov, you've indicated you have no recollection of?

A. I have no recollection of him. I could have met him at a party or something like that but the name doesn't stick

in my mind at all.

Q. Other names in there you do remember among them and you freely admitted having had contact with them over a period of years?

A. That is correct.

Q. You listed your reason for such contacts was that you

wanted to sell Schwartz propellers?

A. That was the basic reason, was to sell, not only Schwartz propellers but that was my prime interest because I would get a commission on that. But I did want to try and establish good relations between the Russians and my company to increase sales generally and the primary one which I had direct concern with was the Schwartz propellers.

Q. You state that it was not the sole reason that you had made contact with the Russians was to sell them stuff?

A. Basically that is correct.

Q. You stated further that you had made this contact, I believe it was the suggestion of Mr. Berliner?

A. No, I don't think that's correct and when I heard

him say that yesterday I didn't know whether it was true [fol. 445] or not but it was with the tacit understanding of the company that my activities were all right along those lines. Now, I don't believe I ever said that he specifically told me to do it.

Q. I would say that it was Col. Berliner that said that,

that he suggested to you that you made these contacts.

A. I don't know whether he said it or not but I couldn't say that that was so.

Q. Did Col. Berliner say that yesterday?

A. He said something, I believe that he said that. Let me add one thing he might have said, that might actually be a fact because he was in and out of the plant during the period he was in Washington but in my mind I have no recollection of it.

Q. You have indicated to us and you also indicated in the previous hearing that you kept your plant superiors advised at all times of the progress of your contact with the Rus-

sians, right? The very first contact?

A. That is generally the correct statement. I don't know whether everytime that I saw them, the very next day, I told him. I kept telling him that I was seeing them and even brought them out to see Mr. Berliner finally.

Q. When I questioned Mr. Wells the other day, he pleaded ignorance of it and stated that your contacts in regard to these Russian contacts, your contacts in ERCO were with Col. Berliner that you weren't dealing with Mr. Wells?

- A. That is, basically that is right. There's a peculiar organization in our company. When you have the owner right there along with the president. Now Mr.' Berliner has been essentially the salesman of the company. We did not have any sales organization at that time. And anything with sales, I would take up with Mr. Berliner, to the best of my knowledge, from time to time, I told Mr. Wells about it too.
- Q. Col. Berliner has stated that he first suggested to you to make the first contacts with regard to the Schwartz propeller after his release from duty with the Air Force, that was sometime in 1944. Did you hear him when he so testified?
 - A. He said that his memory wasn't clear on it.

[fol. 446] Q. That's the reason, Mr. Greene, I've tried to stay away from dates and tie it in with the events. Col. Berliner said that he was quite certain that he first suggested to you making these Russian contacts after his release from the Air Forces. We weren't referring to dates. We were talking about events. He didn't indicate any doubt about that.

A. Well, that is not the case as far as I'm concerned.

Q. In other words, Col. Berliner, apparently knew something about these contacts you had with the Russians before sometime in 1944?

A. That is quite possible if that is what he said. The point, he was in the Army during a period of that time overseas. And during that period he could know nothing about them.

Q. Who would you keep advised, in your firm, concerning these Russian contacts in 1942, 1943 and early 1944.

A. Well, I believe I mentioned it to Mr. Wells in that period. I didn't have very many contacts. There were in the order of one, two, three or four in that two year period.

Q. You heard Mr. Wells disclaim any knowledge of them

when I asked him?

A. That's right. I think he said that. I don't remember just what he said.

Q. Now, will you tell us again Mr. Greene the exact way you set up your original contacts with the Russians and

approximately when it was?

A. Sometime in 1942 I think in the fall, towards the fall of '42. I can't set a definite date but that is the reason and time it strikes me. I discussed in my propeller group which I was the head of, the possibility of doing business with the Russians in connection with the Schwartz propeller. I just finished a similar project with the Canadians and one of the fellows in the group, Henry Hochfeld said that he thought he could arrange such a meeting and he did. Now, you don't get where I got in a company without being aggressive and doing things and getting them done and that's been my disposition and that's what I've always done for the company. I tried to further its interest because in addition to helping the company it's helped my own. And that was the basis of my contact with them.

[fol. 447] Q. You will maintain that your initial contact with the Russians was set up upon your initiative and not as an initiative supplied from some other source, is that correct?

A. That is correct.

Q. Information we have, Mr. Greene, indicates first of all, that you didn't meet these Russians in 1942 but you met

them in early 1943.

A. Well let me say this, that is possible but I am pretty sure I met them, I'm pretty sure that I met Berezin in '42 before I was married. That was the basis for my saying '42 because I thought it was before my marriage. Now shortly after my marriage, when we were living on "Eye" St., Col. Berezin and his wife came to our house for dinner and that's the reason I placed the first meeting in that frame of reference as to time. Now, it's possible, I have nothing to hide as to when I met them. If it was '43, I'd be perfectly willing to say so and agree to it but trying to remember back and referring to certain events, it seems to me I met them in the fall of '42. Shortly after we were married, Col. Berezin and his wife were invited to our house for dinner.

Q. Now, we have further information, Mr. Greene, indicating that the initiative of these contacts came from

Col. Berezin.

A. Absolutely not. As far as I'm concerned, no. Let me say, I don't know what went on in Col. Berezin's mind. Maybe he, as he indicated much later that he knew about the company but I had no knowledge of his trying to meet me as an individual or even have anything to do with the company. Now they did do business with us and for some reason he might have wanted to get connected with the company in some way but absolutely, I'm sure that I initiated the contact through Henry Hochfeld. Now, what Col. Berezin might have had in his mind is beyond me.

Q. We have information here indicating that as a matter of fact, sir, we do know that the meeting between you and Col. Berezin was arranged through Hess and Hochfeld as you indicated. We also have information from a source identified as being one of known reliability referring to a conversation that this source had with Hess in April

1943 in which Hess stated that he had been talking to one Harry, not further identified but presumed to be Hochfeld and that Harry said to Hess that he had a young engineer [fol. 448] who is a good friend of ours and of our cause and Harry wanted Hess to set up a meeting between Berezin and yourself. Can you give us some reason why Harry might have referred to you as a good friend of our cause?

A. I don't know who Harry is, I assume you mean Henry,

I don't know of any Harry.

Q. Wasn't Hochfeld sometimes called Harry?

A. I called him Henri or Henry. Henry Hochfeld is the name that sticks in my mind. I never, to the best of my knowledge referred to him as Harry. Someone might have heard me say Henry and might have thought I said Harry.

Q. This wasn't quoting you as saying Harry. This is

quoting Hess.

A. Well, then I don't know who, if you said Harry, I have no idea who you are referring to. I don't know of any Harry.

Q. I have circumstances indicating that he was referring

to Hochfeld.

A. Well, then it would be Henry as far as I'm concerned.

Q. Why did Hochfeld refer to you in this conversation with Hess as a good friend of our's and our cause?

A. I have no idea why he would refer to it. It just doesn't make sense. I know nothing about Hess and to the best of my knowledge, Hochfeld is an American citizen at this time and never indicated any political preferences one way or the other when he was working at ERCO so I have no idea why he would have said that.

Q. I might interject, Mr. Greene, that we have a good

many references that he is a Communist.

A. I can't tell whether they are or not. I can only say he was working there. It took some doing to get him to work there as I understand. I had nothing to do with his hiring except passing final approval on it. I didn't initiate his hiring and being an alien, I imagine during the war, he had some problem getting in there. But why he would have said that in answer to your original question, I have no idea at all.

Q. Of course, we can make certain assumptions as to why

Col. Berezin might have wanted to meet you back in December 1942 when we look at a statement like this indicating that you were considered a good friend of their's and of [fol. 449] their cause. Of course, some weight is lent to this assumption by the fact that your wife was strongly pro-Communist and after she left you she became very active in Communist affairs, in case you don't know that, I'll pass it on to you.

A. I don't know what she's been doing. At that time, I would say I was not conscious of her even her radical lean-

ings. She was not active in union work.

Q. Now, in referring to your meetings, associations with these Russians, over a period of time, which lasted for some two or three years, you indicated that your principal purpose was to sell products of your firm to the Russians. Were you ever successful in selling them anything?

A. That's hard to say. I was not successful in selling them the Schwartz and Composite propeller blade but there are many sales attempts that result the same way. I was not successful in selling the Chinese Nationalist government

anything either, nor the Portuguese.

Q. How long did you maintain your attempts concerning

the Nationalist government to sell them something?

A. I covered a period of from before the war to I don't remember the exact date, but about the time that Dr. Day testified that she had a date with one of them, I mean it was in that period.

Q. How long did you maintain your attempts to make

sales to the Portuguese government?

A. Well, that was one attempt and it was obviously hopeless.

Q./You maintained attempts at the Russian Government over a period of several years before you reached the same conclusion, is that correct?

A. That's right.

Q. Was there anything else that would indicate you continued these efforts with the Russian government other than your unsuccessful efforts to sell them.

A. Not particularly. You see there was another thing that came up right close to the end of the war that maintain interest in this deal. I discussed with Henry Berliner the possibility of selling the design of the air coupe which was strictly commercial non-military aircraft to the Russians in turn for which we could use that money to tool up for [fol. 450] production of the air coupe as soon as the war ended. It was obvious that the war was going to end successfully and this looked like it might be a good idea, so that kept the reason for keeping these projects alive.

Q. Didn't you tell the F. B. I. agents that you had in the back of your mind the idea that it made a good impression on Jean to be seen so much in the company of

these Russians?

A. Well, I think it's a secondary effect, a very minor one, that.

Q. It's just one more indication of your knowledge that Jean was probably pro-Russian, isn't it, Mr. Greene?

A. I never said she wasn't pro-Russian. I said she praised during the war.

Q. And after the war?

A. And she took their viewpoint after the war, that is

correct to some extent. And we argued about it.

Q. Now I'm going to skip over item nine of this Statement inasmuch as you testified you had only one contact with Alexander Hess and frankly I have nothing to indicate to the contrary. Now, I want to proceed to item ten, concerning your associations with Mr. and Mrs. Nathan Gregory Silvermaster and William Ludwig Ullman, and in connection with that, I guess I might as well take in your associations with most of the other individuals covered in the remaining items in this letter. You've indicated in your original letter to the Army, Navy, Air Force Personnel Security Board, also in your hearing before the IERB and also in your testimony the day before yesterday here, that at no time did you have any feason to suspect that any of these people were Communists or pro-Communist, that is in no time during your associations with them did you have any reason to suspect that they were Communists or pro-Communist. Do you wish to modify this statement at this time, Mr. Greene, before I go any further?

A. I had no indication that they were Communists and when I was interviewed by the F. B. I., I said that and the F. B. I. men, one of the F. B. I. men there said that's

right they didn't go around carrying signs that they were Communists because they all were working for the Government. And that pretty well sums up my feelings on the [fol. 451] matter. They never once told me that they were Communists they never once asked me to join the Communist Party and I, for that reason, I would say that I didn't know they were Communists.

Q. I didn't ask you if you knew they were Communists Mr. Greene, I asked if you didn't have any reason to suspect

that they were pro-Communist.

A. I began to suspect that certainly these people were pro-Russian and therefore pro-Communist if you connect those two together as such. When towards the end of our marriage they began to take the side of Russia in disagreements as opposed to the side of the United States.

Q. Well, as a matter of fact, these people were constantly, all through the period 1946 and 1947 arguing the Russian

viewpoint, were they not, Mr. Greene?

A. Let me say that they may have been arguing it all the time, I wasn't with them all the time. I spent one devil of a lot of time with my own associates and I don't know what they were doing all the time. I'll say this, they did

argue the pro-Russian viewpoint.

Q. Well, you spent most of the time at your previous hearing talking about these people, you spent most of your time asserting the fact that you never had any reason to suspect that they were pro-Communist, there was at one point in your testimony on page 93, when you were asked this question, "Did you have any reason to suspect that they were sympathetic with the Communists or that they were Communists themselves!", and you replied, "Yes I did, at the very end", and then you went on to tell why.

Counsel: Did you say 93?

Mr. Scanlon: Yes, sir.

Mr. Greene: Yes that's right (interruption)

Mr. Scanlon: On page 89, I want to call your attention to another statement.

Mr. Greene: Which one is that sir?

Mr. Scanlon: You were asked the question about the middle of the page, "You had reason to suspect at that time that Sasuly and Silvermaster were Communistically

[fol. 452] inclined and sympathetic?", you answered "yes, sir".

Q. What page is that?

A. Well, that's right, That was late in '47 and there I did differentiate between Communist Party and—er—

Q. I haven't been referring to membership in the Com-

munist Party:

A. Their pro-Russian as compared to pro-American viewpoints would make me suspicious to that extent, yes sir.

Q. You see Mr. Greene, your statements have been conflicting right along the line concerning your suspicions and what you had reason to believe concerning these people.

A. It was a matter of time. At the very end there was no degree, or it was different when I didn't have any suspicions right at the very end when I read about Harry Bridges and the case of Opper which this remainded me of. I did suspect them of being certainly far left. In fact I didn't associate the word Communist. It seems to me it was a matter of degree that a person was neutral, or that he was very pro-labor, inordinately pro-labor, complaining about the odds that the labor unions had to work against and it was just built up as a gradual thing all the way to being what you call pro-Communist.

Q. And you've also gone to considerable effort at various times to indicate to us that you were never really friendly with any of these people, that actually they were your wife's friends and that you really tolerated them because she

brought them into the house?

A. I don't know whether that's what I said, but in testimony, but with a vast majority of them I was never really friendly, I never got close to them. I did say with Ullman I was friendly and as a result of being friendly with Ullman, I saw a lot of the Silvermasters because he was in their house. I wouldn't say there was any warm friendship with Sasuly because he always sort of looked down his nose at me and I could sense that feeling that he thought I was rather grubby or something like that. Now, I don't deny that I was friendly with Ullman because he is someone who had interests that came close to mine as far as our hobbies [fol. 453] were concerned.

Q. You were extremely friendly with Ullman, were you not?

A. I would say of Jean Hinton's friends, I was friendlier with him than with anybody else. I was never as close to him as I was with Joe Clements who was best man at my second wedding. I didn't go out socially with Ullman.

Q. Ullman lived with the Silvermasters did he not?

A. That's correct.

Q. You know now, if you didn't know it then that Silvermaster was the head of this particular espionage group?

A. That is correct.

Q. You also know that considerable of the stolen documents from Washington were duplicated on photographic equipment in his basement?

A. That's correct.

Q. You were permitted during your frequent visits to the Silvermaster home to inspect and go over the photographic equipment, were you not?

A. I went down in the basement and he showed me what

he had there—showing off I would say.

Q. There was no attempt made to keep you away from it.

A. Absolutely no.

Q. They took you completely into their confidence insofar as the existence of that equipment was concerned?

A. When I went down to the basement and the machine shop and the dark room was right next to it, the door was open and I could look right into it and at times, I went into it.

Q. You are aware now, are you not, that Silvermaster and Ullman were not nearly so free with other people coming into their home and inspecting their photographic equipment, aren't you?

A. I am not aware of that, no, sir...

[fol. 454] Q. You heard your friend Joe Clements testify that he was in the basement, he never saw any photographic equipment in there?

A. That's right.

Q. They kept him away from it?

A. I wouldn't say they kept him away from it, I never saw anybody say don't go in there we just weren't interested in it.

Q. They didn't tell you not to go in there, they took you

in there, let you examine it?

A. The door was open and we discussed photography and he was showing off. I would say the best way to describe Ullman's action was showing off with what he had. I admired his photographs be had around the house.

Q. Didn't you feel that a lot of the photographic equipment he had there was rather unusual—(interruption).

A. Absolutely not. I thought he had a very good collection of photographic equipment which anybody would be proud of but there was nothing suspicious about what he had.

Q. How about the camera he had for reproducing documents, Mr. Greene, is that a novel piece of equipment for

an amateur photographer?

A. I saw no equipment that was especially designed for reproducing documents. I'll say exactly what I saw that he had there, to the best of my recollection at this time. He had a contact, he had a Rolloi-flex and he had a big box camera, reflex camera and he had an enlarger which to my mind, anybody who took such good photographs which he had around the house that I could see was perfectly normal equipment.

Q. Looking back on all this at this time, doesn't it seem to you now to be strange that they would permit you to come in and examine that equipment if they didn't trust

you?

A. No, sir, because at no time did I see them doing anything that remotely resembled copying documents. We talked about camera equipment. I said that I hoped someday to own a Rolli-flex and he showed me his Rolli-flex.

Q. Let's go on for a moment to your associations with [fol. 455] Sasuly. You've indicated that never were you

very friendly with Sasuly?

A. That is correct. There was never any warmth between the two of us. I felt that he was friendly with my wife basically, that he was a rather cold individual that was of what I came to call the intellectual type as opposed to my type of person.

Q. In talking to the Bureau Agents about him you re-

ferred to him as a friend?

A. Well, yes, I worked with him. I saw a lot of him.

Q. As a matter of fact, you told us the other day, that you were the one who suggested the partnership arrangement with him?

A. Well, I don't know whether I said that. It might have been a general impression. It was one of those things where you sit around and talk. The idea of this house came up and I saw an opportunity to make some money from it. And when we got talking about it, it seemed like a natural thing that when it was his contact that he should have some share in it. I'm quite certain that he brought up the point that he ought to get something out of it and that's how the partnership grew up.

Q. Your specific testimony the other day was that you

heard Mayer (believe that (interruption).

A. That's right.

Q. Talking about these houses out in Ohio and it seemed that you saw an opportunity to make some money out of it but that you didn't know Mayer very well so you approached Sasuly and proposed him a business partnership, you thought you'd make some money out of Mayer.

A. That might be what I said but, and it may be correct, but the way I visualize the thing, I heard them talking about the houses. I didn't know Mayer so I went to Sasuly who did know Mayer and asked him whether there was any chance of my doing some work on those houses and that

was the way the thing developed.

Q. In discussing your contact with General Homes, we come to another name on the list, that you were supposed to have some contact with and that is Samuel J Rodman. You told us the other day, I believe that you met Rodman in connection with this General Homes project?

[fol. 456] A. That's correct.

Q. You told us that your only contact with him was in connection with this General Homes Project, is that correct?

A. Well, there was one other contact which I believe my wife mentioned when he called me at ERCO very early in my marriage to my second wife and which I didn't follow up or do anything with.

Q. You don't recall any other contacts with him?

A. Other than in connection with General Homes?

Q. Yes, sir.

A. I recall contacts with another Rodman in connection with a radio station but I have no recollection of any other contacts with Rodman except bumping into him. He lived in the same house with Sasuly. I might have seen him in Sasuly's apartment or I might have seen him in Rodman's apartment but that's the only way I would have seen him that I can remember.

Q. Did you ever meet Rodman's wife? Samuel Rodman's?

A. I believe at one time when I was in his apartment, his wife was there.

Q. Where were you in his apartment? In Washington?

A. In Washington, that's right.

Q. I'd like to call your attention to your testimony in the previous hearing Mr. Greene, beginning on page 109 of the transcript.

A. Yes, sir.

Q. Would you like mesto read that out loud?

A. Yes, sir, if you care to. I could read it myself to save you the trouble.

Q. You were discussing your relationship with Samuel J. and Bella Rodman and stated, (I saw them once or twice, never socially, and in fact I am a little obscure about them. Well, Rodman, let's put it this way, I am not sure who Samuel and Bella are. I have heard the name. There were two Rodmans that I met. One was a short fat fellow and the other was thin. They are two different men—I think they are brothers—and I might have met them in connection with this housing project, I believe, out at Columbus, Ohio, and [fol. 457] you went on to indicate that your only contact with Samuel J Rodman was in connection with General Homes. Do you agree that this is a fair summation of your testimony at this point?

A. I agree it's basically true. They knew these other people, they knew Sasuly and it's quite possible I met them in connection with something. Sasuly had cocktail parties, I remember attending and I was asked who I met there and I said I just can't remember at which point the F. B. I. men said, well, that's perfectly true, I was one of the people

there, I didn't remember him.

Q. That testimony at that point, that I told you, attemptedto, indicates a very slight acquaintance with Rodman? A. As compared to the other acquaintanceship, I'd say that that is correct—as compared with my acquaintance with Sasuly.

Q. In talking to the FBI agents sometime ago, Mr. Greene, you are quoted as saying that you knew Samuel or Sy Rodman and his wife through the radio station WQQW. Do you wish to offer any comment on this apparent conflict?

A. Yes, I think that was an honest mistake when trying to discuss something I hadn't given any thought to for quite a few years and I had on my mind, Rodman, the name and there were two Rodmans, now the more I thought about it the clearer the picture had become between the two. I had plenty of time to think about it now. I have nothing that I'm trying to conceal about the Rodmans. There were two Rodmans, there was a Morris Rodman and a Samuel Rodman, whose names have been brought out and shown to me and refreshed my memory.

Q. As a matter of fact, Mr. Greene, it's entirely likely that you did meet Samuel Rodman in connection with radio station WQQW, isn't it?

A. It's possible, his brother was in it.

Q. He was in it too, wasn't he?

A. He wasn't a stockholder as I.

Q. His name was on the list, I checked it.

A. Well, then I met him there. I mean it doesn't ring any bell that seems significant to me.

Q. You also referred to Samuel Rodman as Sy Rodman? [fol. 458] A. That's right.

Q. Why?

A, Because that is the name that I knew him by after I thought about it. That was his nickname and that's what the people called him at these meetings. And the more I thought about it, the more the meetings came back to me, that is, the meetings in connection with General Homes.

Q. Don't you think the fact that you referred to him by his nickname would indicate perhaps, that you were a lot bet-

ter acquainted with him than you admitted?

A. No, sir, I don't think that's the case. That is the name I heard him referred to. It was unusual and it stuck in my mind when I thought about it. I never was close to him

and I never associated with him in any degree in the manner I associated with Sasuly or some of these other people.

Q. We have information here from a reliable source that you visited back and forth with Samuel J. Rodman on several occasions during 1946 and 1947.

A. Well, by several, I don't know how many that means but I can't say how many times I went up to his house with Sasuly and we were working on General Homes and he was interested in the welfare of the General Homes.

Q. These contacts are in Washington, D. C. that are re-

ferred to here?

A. That's what I said

Q. Well, did you have more contacts with him in Washington, D. C. than you admitted when you were first questioned? When I first questioned you about it, you said your contacts with him were in Ohio?

A. I think I said also that I had been in his house.

Q. You said one in Washington?

A. One sticks out in my mind. Now, if you want me to say several, I'll say several because I have nothing to conceal in that connection. It's hard to remember everything you say and right the first time. I'm trying, to my level best, I'm trying my level best to say everything that I can remember. There's an awful lot to remember.

Q. Now, let's move along for a moment to your contacts [fol. 459] with Laughlin Currie. You've associated with Mr. Currie over a period of several years in a consulting capacity?

A. That's correct.

Q. You have stated that he was paying you in the neighborhood of one hundred dollars a day plus expenses?

A. I think that's the figure. I know I can remember seeing one letter that he said he owed me thirty-five dollars, so it's possible that in some jobs, it was less than a hundred dollars.

Q. It was a very responsible position that you had with him at the time.

A. It was the figure that I thought I was worth, yes, sir.

I thought I was worth every bit of it.

Q. Are you aware of the discipline of the Communist Party that requires its Party members utilize other employee members of reliable firms to perform such tasks as you were performing for Mr. Laughlin Currie? A. The tasks that I was performing for Mr. Currie were strictly technical in nature of the type that I had done all my life.

Q. Were your services of such a unique nature that they could not have been readily secured from some other source?

A. It would take a competent person like myself to do that work. It's a very difficult thing to take a look at somebody's embryonic invention and say whether someday that can be manufactured and make money. That's not easy.

Q. You feel that your services were very unique?

A. I would say they were very good and you would have had to look long and hard to find anyone else as good. I know my judgment was borne out too by the events that those inventions didn't pan out. I'm not trying to be beligerent. I just feel strongly on that particular subject.

Q. I'm going to give your expression on the record; Mr. Greene, without any interruptions or without trying to limit

you in any way at all.

A. I appreciate that.

Q. This is a very serious matter we are presented with and may have very serious connotations.

A. Yes, sir, I realize that.

Q. You've made reference, yourself, I believe, Mr. Greene, [fol. 460] to a statement attributed to Sasuly about August of 1946 in which he quoted you as referring to your reason for rejection for military service because of high blood pressure and Sasuly said that you were delighted that you were rejected because it was much better than fighting some of your friends and you added that you felt your high blood pressure was probably caused by the fact everytime you thought you were helping this Government with its present policies it caused your blood pressure to rise.

A. I have absolutely no recollection of making that statement, if I made it, it's impossible. I couldn't have made such a thing seriously. I have no recollection ever making that statement. I don't know why Sasuly would say I did, what

his means or methods or reasons are beyond me.

Q. Now, in speaking of Martin Popper, you indicated that you found Martin Popper to be a very distant and stand-offish individual and never did have any real association, is that correct?

A. The first part I would say is correct. He was a distant and stand-offish person. I did talk to him. I was in his house. I stored my belongings in his house, it's at the second house that I knew of. I did talk to him. I just wasn't, I didn't have the kind of warm friendship I have with people I consider my good friends.

°Q. We have information here, this has come from an informant characterized to be of known reliability in which he refers to conversations he had with you about January of 1947 in which you told him that you had visited Martin Popper the previous evening and had become rather chum-

my with him, do you wish to comment on that?

A. I never became chummy with Mr. Popper. He wasn't the chummy type. If I had been chummy with him, I would have kept on seeing him. You don't get chummy with some-

one and then just stop seeing them all of a sudden.

Q. Concerning your relationship with Shura Lewis, we have information here from an informant characterized as being one of known reliability, in which Shura Lewis told this informant that shortly following her Western High School speech in 1947, she remarked to you that probably many people will learn things about Russia and she quoted [fol. 461] you as replying, "Well I hope they learn something good, at least." Do you wish to say anything about that?

A. No, I still hope there's something good about Russia. There's nothing wrong in hoping for good.

Q. You don't feel that that is an indication of pro-Rus-

sian feeling on your part?

A. Personally, now, I don't see how it could be. She may have been clutching at straws, I don't know. I have

no idea what she had in her mind.

Q. Here's another indication, Mr. Greene, that it would seem to show that you were going a long ways with Jean in her se-called leftist or pro-Communist views. This statement is attributed to Jean, herself, incidently, in which she refers to the relations between you and her grandmother, in which she says that her grandmother couldn't get along with you at all due to your political convictions. Do you wish to offer any comment on that?

A. This is something I find, maybe, a bit awkward to bring up. But to the best of my knowledge her grandmother

was very anti-semitic and I thought that I had overcome her dislike for me for that because I did do a lot of personal favors for her and I thought that she had liked me. Perhaps, she was just being polite. Why she would take my political views were extreme is beyond me because I always felt that the family up there in Putney thought I was a steadying influence on Jean—kept her on an even keel so I have no idea why her grandmother would have felt that way or why Jean would have said that her grandmother would have felt that way.

Q. Well her grandmother was the only one in the family

who was conservative, was she not?

A. I would say she was a real conversative and that during the period I knew her mother she was conservative, she argued against Jean's extreme union activities during most of the period that I can remember and I would say that her grandmother was extremely conservative, extremely so. Her mother was as sort of middle road with her usual ideas about education and then the kids, the three kids, I don't know what they were.

Q. You know today though?

[fol. 462] A. At least a good idea of what they are. But

those things I found out from events.

Q. Based on this characterization of the grandmother, the grandmother felt that she couldn't go along with your political views either because she felt that they were too extreme or to the left, for her, would it not?

A. I don't know what she felt or thought. I thought she sort of liked me after her initial dislike. Perhaps she never

got over her initial dislike.

Q. Mr. Greene, is it not true that during this period of your marriage to Jean that you did try every way in the world to hold that marriage together, you wanted it to last?

A. I didn't try every way in the world because I did draw

the line at certain, points.

Q. Didn't you compromise on some of the differences and beliefs that might have existed between you and Jean, at least, apparently, adopt some of her views in an attempt to appeare her?

A. I compromised only to the extent that I didn't compromise my own integrity. And when there were things said that I didn't know no or yes about I just didn't argue

about them. When it got to the point where it was some-

thing I felt strongly about then I argued.

Q. It's certainly true, is it not, that Jean was extremely radical, and not only was she extremely radical in her thinking as has been referred to here by at least one witness. She was a woman of action. She liked to put her radical thinking and her radical inclinations into her action or do something about it, isn't that correct?

A. That's a pretty long, broad statement. I'd say this about her if she felt that a union was a good thing, she would work for unions real hard. If she felt that some charity was a good thing, she would work for it real hard. If she felt going skiing was a good thing she would ski real

hard. That was the type of person she was.

Q. Then the differences between you and Jean were based not so much on your differences in political philosophy as they were on the fact that she was always running off to meetings and spending her time with her friends and par-[fol. 463] ticularly in connection with union activities did you feel that those union activities might embarrass you in your relations with ERCO rather than any basic disagreement?

A. No, that what you said is all true and it's part of the general picture. It wasn't any simple picture, that was part of it, it's perfectly true but we fundamentally came to a clash and I don't think anybody could have said any better what the trouble was than she did in her letter to me. That letter is a true letter that sits there.

Q. She opens her letter by telling you all about her union activities out wherever she was with the idea that you'd be

very much interested in them, is that right?

A. That may have been her idea. I can assure you I wasn't interested in it and it just proves the point that I got nothing but union from her morning, noon and night even when I wasn't interested. I can assure you when I got this letter, I was not the least interested in what she was doing in unions.

Q. Now, in this particular paragraph that you pointed out the other day, that indicated the differences in view-points between you and Jean, what Jean actually says or what she seems to indicate in there is that while you'd go

along with her ideas to a considerable extent that you don't want to take any action based on those ideas. Am I drawing the proper inference from that?

A. No, sir, I don't feel that you are but I mean I can't

control what you think.

Q. Jean indicates in the last sentence there that she feels that you will be a more and more useful force in the future as you come to accept more and more of her ideas, does she not?

A. I don't see that here. That's not what she says here. I'm not trying to be wise or anything but that's not the way I took it. She was always crusading and she worked on me that way. She tried to get me to see her union viewpoint and I suppose she hoped that some day I would, but I don't.

Q. What do you think she meant by that phraseology,

that you will be more and more useful?

A. Why my interpretation would be, I would be a good union organizer or something like that—and get people to join the unions or go out and preach on soap-boxes and [fol. 464] something like that, go to mass meetings and stand on picket lines. I don't know what she means but I imagine that's what it is.

Q. From indications she might have had very good reasons to believe that you were inclined in that direction,

doesn't it?

A. Not, in my interpretation, no, sir.

Q. Let's return for a moment to your association with radio station WQQW. You've indicated to us, I believe; that you never had any reason to suspect that this station was operated as a pro-Communist radio station and that you never knew anything about a pro-Communist line in its programs, is that correct?

A: That is correct. I never heard anybody say that we were going to be pro-Communist or have a pro-Communist

line.

Q. Nobody ever suggested to you at any time that this was a pro-Communist station?

A/I never heard that word mentioned in connection with that station until we discussed it here.

Q. Do you object to the word Communist? Should I change it to say radical?

A. I'd agree to the same thing if it were radical.

Q. We have information here, Mr. Greene, that one particular individual specifically called your attention to the fact that Rankin and Bilbo had characterized this station as a Communist station, run by and for Communists?

A. I have no recollection of that incident It might have happened. I might have dismissed it. I just don't remember

it.

Q. We have also the information that you bitterly denounced Rankin and Bilbo for having made such a talk?

A. I might have if they did. I won't deny that I would have if somebody denounced something I had money invested in.

Q. That certainly is at variance with your statement that nobody ever said anything to you about this being a pro-Communist station?

A. Well, I don't remember anybody saying it. If you say

they said it, I won't deny that:

Q. Did you have any disagreements with the policies of the station since then?

A. I don't think I ever-got into argument, a question

[fol. 465] of policy about the station.

Q. You told the FBI agents back when they talked to you that you disagreed with the way the station was run and that's the reason you disassociated from it.

A. I sure disagreed with the way it was run. There's nothing incorrect about that statement because I lost my

thousand dollars in it.

Q. Do you want to expand on that a little bit, your dis-

agreement about the running of the station?

A. I thought they were too lavish in their offices that they had. For an outfit that didn't have much money I thought we were setting up too fancy. It's just that they didn't seem to be following sound business principles by trying to make do with the money they had. That is as far as I can remember about some of it.

Q. And your disagreement with this station had nothing to do with the station's policies but had to do only with the

business activities of this station, is that right?

A. Well, that was the only thing I really felt strongly about, was losing my money in it.

Q. But you've indicated to us previously that you weren't so much interested in the financial returns on this as you were in the fact that you were putting on good music, is that right?

A. Well, you could disassociate the two things completely, sir. I like good music and I like to get it and several times in my mind I'd stop to think well, was it worth the thousand dollars to still be hearing good music when I want to hear it.

Q. About when did you completely disassociate yourself

from that station?

A. By disassociation what do you mean?

Q. Selling your stock, dispose of it.

A. I never sold my stock or disposed of it. It went into

bankruptcy and that was the end of it.

Q. When the station went into bankruptcy and the members reorganized when it changed its call letters, is that right?

A. Frankly I lost complete track of what was happening there. I couldn't understand the legal jargon and anything else and I had stock and as far as I can tell it's worthless. It was reorganized. They sent proxies in to vote on and [fol. 466] I signed them and sent them back.

Q. When did the station go bankrupt?

A. I don't even remember that, I'd have to look it up. I don't even know if it went bankrupt. I don't know what went on there. I resigned from the Board of Directors and at that point, I was content to listen to the music and have no further part with it.

Q. Well, if you felt this was a monetary investment and you resigned from the Board of Directors because you didn't like the way the station was being run why didn't

you sell your stock and try to recoup something?

A. In fact I didn't, it was impossible to sell that stock. It was not listed anywheres and I don't know for sure, I'm not a stock broker or anything, but I'll bet I couldn't have sold that stock to anybody.

Q. In other words, you made no effort to sell it, did you?

A. It never occurred to me to sell it, something bankrupt, you can't sell it.

Q. It wasn't bankrupt at the time you resigned from the Board of Directors?

- A. Frankly, I wasn't thinking much about the stock in WQQW at that time.
- Q. Now I want to refer for a moment to your activities with the General Homes project in Ohio. At the time you were associated with that firm in Ohio, were you aware that that firm too was organized and to a large extent controlled by Communist stockholders?

A. Absolutely not.

- Q. Do you know any more about it today than you did then?
- A. What I know about it is this; that I've read in the newspaper, I've seen Rodman's name mentioned in testimony before Congress as a Communist and I've accepted it.

Q. Who were the principle stockholders in that organiza-

tion?

- A. I don't know. I never saw the list of stockholders. I'll tell you who I thought were from the fact that they were out there and seemed to take a prime interest in whether it was going to succeed or not. There was this fellow Nathan Mayer, Rodman, a man who I believe owns [fol. 467] the DuPont theatre or did own it, but I remember him mentioning that or something about the theatre, Weissman was his name.
- Q. Are you aware of the fact that Nathan and Goldie Mayer have been identified as very pro-Communist in their activities in and around Columbus, Ohio?

A. No, sir, I had no knowledge of their activity, I still don't. I never heard anything about them.

Q. One of the principle creditors of this firm at the time it went into bankruptcy was an individual named Frederick B. Sweet. Did you know Mr. Sweet?

A. No.

Q. You had no contact with him at all?

A. I don't remember the name at all.

- Q. When did you have your final contacts with the General Homes?
- A. Well, outside that one time I told you about when Rodman called me up, told me he was working on an apartment house or something that Charles Goodman was designing and I never followed that up, never answered, never called him back it was just prior to Jean Hinton and I leaving Washington.

Q. Did you get paid in full for your services rendered in that firm?

A. To the best of my knowledge, I did.

Q. And did your company, ERCO, get paid in full for the machinery, etc.?

A. To the best of my knowledge, I never heard anything

about their not being paid.

- Q. Now, you have told me a while ago, I believe, Mr. Greene, that towards the end of your associations with these various of your wife's friends, you did begin to get a very strong feeling that they were pro-Communist, is that right?
- A. I wouldn't say strong feeling. I knew there was a definite split-away from my feelings, it was what I call far left or radical.
- Q. You've said that you heard them indicating more and more as the time went along that they were strongly pro-Russian during this period when we were having a cold war with Russia, is that correct?
- A. Well, that's correct. For example, one incident, Sasuly [fol. 468] wanted to go to Yugoslavia and there was some legitimate excuse for it in connection with the wood thing but it looked quite dead to me at that time and I objected to his going on that basis. As far as I know, he didn't go.
- Q. But as a matter of fact you did notice, as you've indicated a while ago, that they were strongly pro-Russian not only in the fact that he wanted to go to Yugoslavia but in almost every problem that came up in the day to day affairs of our Government, they took the Russian viewpoint, isn't that correct?
- A. I would say when the issue came up it was pretty much the case.
- Q. You've also indicated that all of these people at that time were government employees?
 - A. No, sir, I don't think I said that.
- Q. Was Silvermaster a government employee at that time?
- A. About the time that I saw him, he had just left the Government because they were moving away. The last time I saw him it was just before they moved away and I believe he had just left the Government at that time. That was the impression at that time.

Q. Was Sasuly a government employee at that time?

A. No, he was a free lance writer, that's why he went into partnership with me,

Q. Was Ullman a government employee at that time?

A. I don't really know, not at that time.

Q. Many of these people were government employees at the time you saw them get these ideas about their pro-Communism, weren't they? That's the way you kept defending all the time your association with them, the fact that they were government employees?

A. No, when I met them they were and continued to be for quite a long period and I just didn't attach any sigmificance to the fact that if somebody was moving away that he left the Government. It seemed like a logical thing

to do.

Q. But you got the idea that these people were pro-Communist before that date in 1947 when they moved away. didn't vou?

A. I wouldn't say pro-Communist—it's I don't want to [fof. 469] argue about it. Yes, they favored the Russian

viewpoint, that's right.

Q. You got that idea while they were still working for

the Government, didn't you?

A. No, sir, I don't believe that's correct. I would say it was the two things began to take place around the same

time. It's possible that there was some overlap.

Q. Didn't vou feel obligated as a loval American citizen to call this to the attention of the proper authorities in the Government, that some Federal employees were pro-Russian during this period?

A. Well, I had never seen them do anything wrong or take any action that would make me feel that there was

something to be reported.

Q. You had (didn't) actually seen them stealing docu-

ments, didn't (did) you?

A. You just can't tell, you don't, I don't feel like it's my business to be chosey about a person's personal thoughts unless I feel that they're dangerous.

Q. During this period when we were carrying on a very serious cold war with the Soviet Union, didn't you feel it was dangerous to have a government employee that took

the Russian viewpoint?

- A. I don't, I'm not clear just when I felt that way about their Russian attitude, about their being Government employees. Sasuly was not. At the time, he wanted to go to Yngoslavia, as far as I know, he was not a government employee. Now that is the most specific incident that sticks in my mind. I'm not sure Ullman was or wasn't and I know Silvermaster seemed to be working in War Surplus and then left it and then they began to close up their house to leave Washington.
- Q. Up to that time, Silvermaster was working for the War Assets Administration, wasn't he?

A. I believe so.

Q. How about Martin Popper?

A. No, he had a private law firm.

Q. How about Waybur?

A. We lose contact with Waybur pretty much. I believe he may have called my wife occasionally. We saw him most infrequently after he came back from the army as compared to the other people.

[fol. 470] Q. Didn't you feel that this situation between the United States and the Soviet Union was very tense in

the early days of 1947, Mr. Greene?

A. I felt that it was getting tenser. I was very much preoccupied with my personal problems. I never have been too preoccupied with politics which was one of the sources of trouble in my first marriage and I knew, I was conscious that there was a split going on and developing but not being too preoccupied, I would say, I was relatively slow in picking out the significance.

Q. Don't you think it's a duty of a loyal American citizen to call it to the attention of proper authorities in the Government the fact that that Government has employees who

are sympathetic to the enemy?

A. At that time I was not fully conscious to the extent of their sympathetic activities. I wasn't fully conscious to the extent of the potential enemy that Russian was to us. I knew that there was grounds for it and it was building up but I never heard anything that I could say, there somebody was going to do something wrong if they keep on doing that.

Q. You've testified previously that you knew that we were carrying on a very severe cold war with the Soviet Union

by virtue of the fact that we interfered in Greece and

Turkey prior to this time?

A. No, I didn't feel that that was a severe cold war yet, I don't think. I don't remember my exact feelings at the time.

Q. Have not we been engaged in our airlift operations

into Berlin prior to this time?

A. I don't remember the date of the Berlin airlift. I thought that the Russians were very stupid about the thing, trying to do something like that.

Q. But the fact remains that you never did bring this

information to the attention of anybody?

A. Not at that time, no sir.

Q. Or any subsequent time?

A. Yes, I brought it to the attention of Mr. Berliner when I read about the Bentley testimony and I said that I knew these people that were mentioned in it.

Q. But by that time it was all broken in the papers and government authorities knew about it then and there was [fol. 471] a strong likelihood that you were going to be involved at this time, wasn't here?

A. I didn't see any reason to involve me, I hadn't done

anything wrong.

Q. Other than the fact that you admit you were a close associate of the head of this spy ring, Silvermaster?

A. I never saw him do any spying.

Q. You really thought you might be pulled into this investigation, didn't you, Mr. Greene?

A. Not particularly, I knew him, I knew I'd be associated

with him.

Q. And you thought you were going to get pulled in?

A. I supposed it occurred to me.

Q. Yes, it occurred to me too.

A. It'd be only human.

Mr. Scanlon: I have no further questions at this time, Mr. Chairman, although I'll think of something later.

Chairman: Mr. Simms?

Mr. Simms: I have no questions.

Chairman: Capt. Singer? Capt. Singer: No questions. Mr. Waldman: Mr. Greene let me ask you a pro forma question first and that is in the event that this Division should grant you access to classified security information, do you have any claim for loss of wages as a result of the denial of clearance?

Mr. Greene: Well I've been earning the difference between my former salary of \$18,000 a year and \$4,700. There's one little period in there where I got separation pay which overlapped with the \$4,700. I'd say this that the ERCO has indicated that if I am cleared that it may be possible, depending on rules and regulations that they could give me back pay for a period of leave since I've been employed with them for about sixteen years. If I got that back pay, I'd have no claim, if I didn't, I suppose I would have a claim. I just haven't considered the problem anyway. But there is money I lost due to this, severe loss due to this suspension.

- Q. I mean that you feel that in the event you should get [fol. 472] clearance that the fact that you were previously denied clearance and that that resulted in a loss of wages that you should be compensated for the loss?
 - A. Well, I'd like to be.
 - Q. That's merely for the record.
 - A. Yes, sir. I want to ask if it has any significance.
- Q. It has no Significance as to the clearance (interruption).
 - A. I've lost money, I'd like to get it back.
- Q. It's to apprise this Division as to whether or not you did lose money and whether you make or expect to be reimbursed for it in the event that you would be cleared. The answer is yes, you would expect to be reimbursed?
 - A. Yes, sir, I hope to be reimbursed if I'm cleared.
- Q. Now, going back a bit to the Washington Bookshop which sort of was the start of all this difficulty. You stated in substance that you paid a dollar in order to get discount privileges?
 - A. That's right.
- Q. And in substance you stated that you knew nothing of the nature of the Bookshop?
 - A. That is correct. At the time I joined it I didn't know.

that it differed from other bookshops. Later I came to find out it was.

- Q. Did you or did you not know at the time that you joined the Bookshop that meetings were conducted by the Bookshop?
 - A. No, at the time I joined it, I didn't know about it then.
- Q. Did you subsequently learn that meetings were conducted by the Bookshop?

A. I don't remember any.

Q. Mr. Greene, referring you to page one hundred and eighteen of the testimony which you gave before the Industrial Employment Review Board.

A. I see the records you have.

Q. At about ten or twelve lines down, the following question was asked you: "Did you attend any meetings there?

A. Not that I know of.

Q. Did you know they held meetings there?

A. Yes."

Mr. Greene, you have an explanation for the fact that at the time you testified before the IERB it appears that you knew that they held meetings at the Bookshop and today you don't.

A. I didn't know it at that time, no, I didn't. I came

[fol. 473] to find that out.

Q. The question asked you before the IERB "Did you know they held meetings there?" Your answer was "Yes". I asked you two or three questions ago, did you know at the time that you joined the Bookshop that they held meetings there, your answer was "no". I then asked you did you subsequently learn that they held meetings there, your answer was "no". I ask you now to explain to this Division how it is that you knew at the time you testified before the IERB that they held meetings at the Bookshop and today you don't.

A. My answer was incorrect today.

Q. So then the answer is that you did know that they held meetings at the Washington Bookshop?

A. Yes, the thing that puzzles me, I don't know what you're driving at by meetings, what do you mean by meetings?

Q. Well, what did you mean by meetings when you answered, "yes" previously before the IERB when you were asked, "did you know they held meetings there!"

A. Well, I'm not sure I knew what I was thinking of at that time, but people went in there, they got together there,

I'd say.

Q. Well, Mr. Greene, you know what meetings are!

A. Well, let's put is this way. A meeting is something that has a charman and a group of people sit down and they vote on things and do things like that.

Q. Well, taking your idea of what a meeting is, you stated to the IERB in response to the question, did you know they held meetings there, you stated, "yes", you did. What type of meetings were you referring to then that you remember they held and what type of meetings are you referring to this morning when you say you didn't know.

that they held any meetings there?

A. Well, I would say this, that as I think about it, what I was thinking of then I'm not sure of what I was thinking of then, but what I believe I was thinking about then was that they would have people come in and give speeches or it happened that they did once in a white have people come in and give speeches. Now that's not my idea of a meeting. A meeting would be something that you would have to vote [fol. 474] on things and have a chairman to head it up and do things like that. You might say the difference between a lecture and a meeting, if some person comes in and gives a talk and a meeting where you come in and vote on things.

Q. Using your language, Mr. Greene, did you know at the time that you joined this Bookshop that they held lectures?

A. No, sir, not at the time I joined the Bookshop.

Q. Did you subsequently learn that they held lectures there?

A. Yes, sir.

Q. How did you learn that?

A. Well, I believe at one time I heard a lecture there myself given by a grey haired woman on the subject of China.

Q. Will you tell us the reason for being in attendance at that lecture and tell us about when it was?

A. I would say it was early in my marriage and the

reason for going to the lecture was that my wife wanted to go.

Q. You now characterize that lecture that you went to

at the Washington Bookshop as a meeting?

A. No, sir. It doesn't occur to me as being a meeting because it seemed like a very informal thing in connection with her book work. I think she spoke in connection with a book she had written.

Q. So you did attend lectures or a lecture at the Wash-

ington Bookshop?

A. As far as I know I attended that one lecture. This is something the more I talk about it the clearer it becomes.

Q. So that when you told the IERB that you did not ever attend any meetings there, what you meant was you attended a lecture there.

A. That isn't quite the case because at the time I said this I don't even think I called it a lecture but this is something I talked over with my lawyer since the last charges.

Q. Well tell this Division again, Mr. Greene, what you meant when you told the IERB that you knew that they

held meetings there?

A. Well, I imagine it was an association and they had to [fol. 475] hold meetings there. It may even overlap into the other thing, I don't know, I just think of this at that time, the thought didn't come up.

Q. You were asked at that time of your knowledge. Did you know they held meetings there and that is why you answered yes to the question. Did you know they held meet-

ings there?

A. Well, I don't remember exactly what I had in my mind then but I knew that there was officers and people who worked there who got together about running the Bookshop and to my mind that was what the meeting was. The reason for that was that I believe the present husband of my exwife was connected with it in some capacity. I had no connection with him whatsoever in that capacity but I have a vague recollection of his being connected with it and doing something about those things there.

Q. Would you tell us something of the nature of this lecture on China that you heard there if you remember

anything about it?

A. I remember this about it that it was a grey haired woman who had written a book about China or who was going to write a book about China and she told about the struggle in China between two factions the Reds and the Nationalists that's about the extent of my recollection of it.

Q. Mr. Greene going from the Washington Bookshop to the airplane which you had with some other people, I think there was a time when you owned an airplane as a one-fifth

owner?

A. Approximately one-fifth the membership in the group fluctuated back and forth.

Q. Was that airplane which you owned one-fifth of owned by you before or after your marriage or was it concurrent.

with your marriage?

A. I believe it was concurrent. What happened was, it was an old airplane, it was a prototype Ercoupe and I think shortly before the war a group of us got together and got it licensed so it could be flown legally and we kept it flying until the roof of a hangar fell in on it at Greenbell (Greenbelt) Airport, at that time it was scrapped. I believe all that happened during the course of this marriage. Then later in 1946, Joe Clements and I bought this other Ercoupe, a new one.

Q. Was one of the other owners of this airplane Joe

[fol. 476] A. I don't believe so, no.

Q. Will you tell us, if you remember who the other four owners of the airplane in which you owned one-fifth interest were?

A. Well, I'm not too sure, Frank Lane definitely was one of the owners because he was the one who got it licensed.

Q. Frank Lane!

A. Yes, these are all people at ERCO. I'm not sure whether Fred White was one of the owners or not. He was responsible for it getting blown over in a windstorm, I'm not sure he was in it or not, I think he was. At the very end someone by the name of Brown, I don't remember his first name was in on it.

Q. There's one other whose name-you don't remember now?

A. One or two, you see it didn't stay at five, it fluctuated.

We'd bring people in and I just can't remember all the names, no sir.

Q. Mr. Greene, you married Jean in 1942, I think it was 1

A. December, yes, sir.

Q. And lived with her until 1947?

A. Yes, sir, summer of 1947.

Q. And I think it's fair to summarize your statements as to her views in saying that as far as you knew in all those years you never got the impression that she was

either Communist or pro-Communist?

A. No. I wouldn't say that. It's hard to say how I felt at that time in light of what I know now. I definitely felt that she was not a Communist, but as far as pro-Communist, I never stopped to evaluate in that term. She was radical in extreme but it stopped about there. I don't think about it much further than that.

Q. I ask you again, would you characterize for this Board whether in the years 1942 to 1947 your opinion was that your wife was or was not Communist or pro-Communists?

A. Well, I say she was not Communist in my opinion.

Q. Was she pro-Communist in your opinion?

A. I really don't know how to describe that. You mean was she pro-Russia or was she pro the Communist Party or pro the Communist Party line I, what is a pro-Communist? [fol. 477] I just don't (interruption)

Q. You would know what a pro-American was, I imagine?

A. Well that's a country and it stands for certain principles. I'm not trying to hedge, sir.

Q. I don't think you're trying to hedge Mr. Greene.

A. I'm just struggling with the problem that I have.

Q. We have a problem too and our problem is to try to understand your thinking and I am merely asking some of these questions so that I can be enlightened as to the thoughts that go in your mind.

A. She was pro-Russian.

Q. Let me say this, I realize that everybody is not as well versed in the social and political sciences as everybody else. We don't claim to be engineers and you probably don't claim to be a politician, however, I think that the word pro-Communist is not a very very difficult one to define, at least in mind. Now, if it's in your mind, I'd like to have your reasoning as to why it is so difficult?

A. Well, the reason it's difficult is that as far as I know, she didn't attend Communist party meetings, and she wasn't a Communist. I would say now, if (in) view of what I know and in view of what you just said that the fact that she read the "Daily Worker" would indicate that she was pro-Communist. At that time, it didn't occur to me in those terms. And in fact you partly enlightened me. I would say now that in view of all this that she was pro-Communist towards the end of our marriage.

Q. Well, during your marriage you saw the grandmother

of Jean?

A. Yes.
Q. Very often, or often or not so often?

A. When we went to Putney basically and that was possibly two times a year, possibly three.

Q. So you probably saw the grandmother twenty times during the time you were married.

A. I think it would be closer to ten.

Q. Closer to ten, and yet you characterize the grand-mother as an arch conservative?

A. Yes, that's to the best of my knowledge she is what I would call "Rock Ribbed Republican".

[fol. 478] Q. "Rock Ribbed Republican".

A. Yes, sir.

Q. And you draw a fine line between the grandmother and the mother who you couldn't have seen too often by saying that the mother was a conservative but not quite as arch a conservative as the grandmother?

A. I don't know why I said conservative, I was trying to indicate she was about in the middle during the period I knew her as compared to one side conservative, middle the road and that extremist, leftist, radical or as you just said pro-Communist. I didn't classify as conservative, neutral, pro-Communist. In my mind the classification was conservative, neutral, liberal or radical.

Q. What would you classify a Communist?

A. Way over to the left beyond those things, beyond radicals.

Q. Well you classified the grandmother as being a Rock-Ribbed conservative and the mother as being a conservative, how did you classify Jean?

A. As a decided liberal, possibly radical, probably. In my mind she was an extremist.

Q. She was an extremist?

A. In her wanting to make unions superior to management and things like that.

Q. Mr. Greene, do you mean to tell this Division that because a person has extreme union views that that makes them an extremist?

A. If it's extreme enough, yes, sir. That wasn't the only thing she felt about. She wanted to do away with segregation being like this and I felt that it's something that had to work itself out. She got me convinced that it was a good thing to do away with it.

Q. Do you feel that you left the marriage with Jean learning anything that might be of value to you at the present time or do you think that she was a complete detri-

ment in your life?

A. It was a very painful experience all the way through and it's grown painful in the last year more painful than it ever could have been however, I'm trying to be utterly honest, the thing that came out of that marriage perhaps did me some good. It was learning tolerance about other people and knowing there was a world around me in which events occurred which I just ignored and then certain [fol. 479] little things like, I'm not being facetious when I say them, but the thing I didn't know is how to go camping and use a sleeping bag or not, as I said before which may sound funny but not to throw trash out of windows of cars. There were good things there that didn't hurt me one bit to learn. I feel as a result of my marriage to her, I've got a much better understanding of our country and how when there's a division, when the chips are down, this is my country, this is the place I want to raise my children. Now, whether she's responsible for that, I don't know, but this painful experience that I've been through is, I suppose that all builds up to this general picture.

Q. You mean Jean taught you that you didn't want the

country to be the way she wanted the country to be.

A. She didn't teach me one way or the other, it's just that I've become conscious of—I've read of the division and interests between our way of life and the Communist way

of life. When I see things in the newspapers now, I read about them, I have feelings for them, before that I didn't, I ignored them.

Q. Mr. Greene will you tell this Board something about

the tolerance which you have learned through Jean?

A. Yes, before I knew her I was decidedly anti-negro. It never occurred to me that it might be the wrong thing to be, although I, myself, was a member of the Jewish race and I wasn't even conscious at that time I might even have been at a disadvantage because of that. When I changed my name it didn't even occur to me that there was anything significant about it. Now, I feel that there is something to be said for other people, that they are human beings like myself and that they have to be treated accordingly. I never stopped to think about that and I think it's a good thing. I still don't, I still have to think about it in order to act that way but I'm conscious about it and want to do something about it if I can.

Q. Did she teach you tolerance for other people's philosophies, by that I mean that did she teach you tolerance philosophy as well as the other philosophies which are

preached in this country?

A. No, sir. I have no tolerance for it so I feel she didn't teach me it.

[fol. 480] Q. Mr. Greene, would you say that the experience that you had living with Jean Hinton has had no effect whatsoever on your thinking with reference to any-

thing subversive?

A. It has this effect that before I knew her I never thought about those things. Since I knew her, I've been forced to think about those things and reach some decision in my mind. I reached the decision that this Communist philosophy is immoral because it preaches from what I've read in testimony and other things in the paper which normally I wouldn't have even looked at if I hadn't known her that the end justifies the means and I thought real hard about why it is immoral and that is the conclusion that I have reached. Now, knowing her brought me to the, to my attention that there was a world around us. Maybe I would have reached that conclusion independent of her, I don't know. I was growing up, so I can't say it was basically her

influence but be that as it may I've become conscious of the world around me.

Q. Mr. Greene, didgyou spend much time with Jean's

sister-in-law, your sister-in-law, Jean's sister?

A. Not particularly. She was away most of the time during the course of our marriage. I saw her infrequently, mainly on holidays.

Q. During the time that you were married did you draw any conclusion as to whether or not you thought that Jean's

sister was either a Communist or pro-Communist?

A. I just felt, in answer to your question, no. I just felt she was completely uninterested in politics during the bulk of our marriage, bulk of the time of our marriage and just didn't care about those things.

Q. You didn't think she was interested in politics at all?

A. That's right.

Q. Did you think she was a conventional person?

A. No, sir, I did not.

Q. Did you think that the fact that she was unconventional was unrelated to politics?

A. Exactly, I thought it was a result of the way she was

brought up.

Q. How about Jean's brother, did you have any opinion [fol. 481] during the time you were married to Jean, as to whether or not he was Communist or pro-Communist?

A. No, I didn't have any fixed opinion about him because his opinion kept changing back and forth but from what I would say conservative to liberal and back and forth. He was just a hard guy to figure out and I never did figure him out.

Q. He wasn't conventional either?

A. He was definitely not conventional.

Q. Mr. Greene, is it your contention that your lack of questionable associates and your other actions since 1947 should indicate to the Government that there is no risk whatsoever in granting you clearance for security information?

A. I believe that's part of the reason, yes, sir.

Q. And it is your contention to this Board that you are or were absolutely unaffected by your associations with the list of people mentioned here who have been found out to be either espionage agents or so pro-Communist as to be dangerous to this country.

A. You mean unaffected as I am now?

Q. Yes, unaffected completely, unaffected by such association.

A. Yes, sir, I feel that I am more conscious of what I have to do to be a good American citizen. There are other things that have entered into it because I have a family too. I mean, they've all built up my conviction that this is where I am, this is where I belong. But my associations then have not raised any doubt in my mind as to what I would do and what I am doing.

Q. And is it your contention that any association that you had with these questionable people was entirely innocent on your part with reference to the nature of their

beliefs and contacts and associations?

A. Yes, sir. I never sought any of them because of their political beliefs.

Q. And you didn't know of their beliefs at the time that

you associated with them?

A. I knew some of their beliefs. I did not know that a single one of those people I associated with, those people [fol. 482] were nationals of another country—that they were Communists or pro-Communist or to get back to that same thing, they were what I would now call pro-Communist.

Q. How about what you would then call them?

A. Well, it's the same struggle they were pro-Russian which would indicate that they as compared to being pro-American sometimes they were extreme in their union activity. It seemed extreme to me. They couldn't talk about anything else but that. Though I would say in view of what you've said before in trying to straighten me out that they were pro-Communist.

Q. Mr. Greene do you think that anybody in this country

can be both pro-Russian and pro-American?

A. Not today, no, sir. I'd say in the war years, it could have been. It depends to what degree you're pro-Russian, too. If during the war years you were anxious to see them win a battle which affected our military position, I wouldn't

say that you were being anti-American but today you can-

not be pro-Russian and pro-American.

Q. Well, you wouldn't call people who wanted to see Russia win a battle during the war as being pro-Russian, would you?

A. Well that was a lot of the things these people talked

about.

Q. I ask you again do you think anybody in this country can be both pro-Russian and pro-American?

A. No, sir, they cannot.

Mr. Waldman: I have nothing further at this time.

Capt. Singer?

Capt. Singer: Mr. Greene, going back to this Communism, in your apparent somewhat confusion on it, there is a Communist party in the United States, is that correct?

A. Yes, sir.

Q. And I believe there are some Communists who state that they do not believe in the overthrow of the United States Government. That it's a political party. Now there's also a term of Communism and Communism is what is the form of government in Russia, is that correct?

A. I believe it is, yes, sir.

Q. Now going back to your first wife did you consider that your wife was disloyal to the United States.

A. No, sir, I did not.

[fol. 483] Q. She was radical but you did not consider her as disloyal?

A. That's right, I felt that she would do nothing overt

to hurt the United States.

- Q. Did you ever hear your wife say that she thought that the Russian form of government was superior to our form of Government?
 - A. Well, I have no recollection.

Q. In all its aspects?

A. No, sir, had that to say, I'm sure of that.

Q. In other words, in all its aspects, so far as you knew, she preferred our form of government to the Russian form of government?

A. I don't know whether she preferred our form of government to the Russian government but she never said in my presence or to my knowledge that the Russian government was better than our Government in all its aspects, no, sir.

Q. Did you ever hear your wife say that she advocated

the overthrow of our form of government?

A. No. sir.

Q. As had been existing?

A. No, sir, she never said that.

Q. Did your wife ever, your first wife, when I'm saying your wife it is understood that I mean your first wife.

A. Yes, sir.

Q. Did your first wife ever prevail upon you to divulge security information of an illegal nature to a foreign dividual or to a foreign government?

A. Absolutely not. She had no interest whatsoever in

my work.

Q. Did she make any intimations to you that she was introducing these men that are mentioned in these charges, did you ever gather from her actions that she was introducing these men to you with the idea of eventually prevailing upon you to divulge to them classified information?

A. No, sir. She never did.

Q. Did any of the individuals mentioned in these reasons ever approach you with the idea of getting classified information from you?

A. No, sir, they never did.

Q. Did they ever intimate such an idea?

A. No. sir.

[fol. 484] Q. Either directly or indirectly?

A. No, sir. I always felt they had no interest in what I was doing.

Q. In your own opinion, do you feel without any equivocation that you are entitled to receive in your employment confidential and classified information that the Government releases?

A. Yes, sir, I do.

Capt. Singer: I have no further questions.

Chairman: Mr. Simms? Mr. Simms: No questions. Chairman: Mr. Scanlon? Mr. Scanlon: No questions.

Chairman: Mr. Berueffy do you wish to re-examine? I notice it's 12:15 and if you have more than about five minutes of re-examination I might suggest that we adjourn for lunch.

Counsel: Will you give me five minutes and will you let me divide it this way, two minutes to think and three minutes to ask questions.

Chairman: I'd say for something like that I'll give you ten minutes. If we can get out before twelve-thirty, I'll give you all the time in between.

Counsel: Well, I must say that I think we all agree that

if we can, we'd rather finish before twelve-thirty.

Chairman: Yes sir.

Counsel: There was one question I wanted to ask you Mr. Greene. Mr. Scanlon asked you if you were aware of the discipline in the Communist Party that required membership of the Party to give work such as you did to Loughlin Currie, for Loughlin Currie to other members of the Party and at that point you discussed and said in answering that question, you discussed how hard it was to find somebody that could have done this work as well as you did. Now, I would like to ask you specifically, were you aware of such discipline?

A. No sir, I was not,

Q. And did you have, so far as you knew, were you brought into contact with Currie for any other reasons than that the, that you could do the work that Currie wanted done in the investment of this product?

A. No sir, it all made sense what I was doing and seemed

[fol. 485] very logical.

Q. Now I want to ask you just one question which I would like to summarize briefly. Over the period of the five years that you were married to Jean, your opinions of her changed, did they not?

A. Definitely, I started out (interruption).

Q. Was that a gradual change or was it an abrupt change

or just how did it happen?

A. It was gradual. It's one of those things that builds up where you have infrequent disagreements, more fre-

quent disagreements and finally it's complete disagreement and that's the end.

Q. Now, Mr. Scanlon asked you about your efforts to preserve this first marriage and I believe you testified you did make such an effort?

A. Yes, sir

Q. But finally you became aware that the divergency of opinion made that impossible and your effort, what was

your final effort again to preserve this marriage?

A. Well, the final big effort was going up to Vermont trying to lead a life that she had been more or less familiar with when I first married her and that's the broad aspect of it.

Q. And your idea was that if you got her away from Washington, she might go back to what you were when you

first married her?

A. The theory was that she wasn't the way she was when she lived up there originally or was in that background and I thought if she went back to that background she'd be like her old self.

Q. And the extent of compromise on difference was that you kept still, is that right?

A. It was a matter of degree. I'd go/so far and then I'd draw the line.

Q. Is there anything that you know about that you aren't perfectly willing to discuss with the Board as fully and frankly as you can in view of what you can remember ?

.A. Gentlemen, the only shortcoming in my testimony is my memory. When I talked to the FBI, I had all these things thrown at me and I tried to tell them the best I could. I have nothing to hide that I can think of. There may be certain mental blocks that made me forget one thing and then when you see something or hear something, [fols. 486-532] you remember, but I've tried to tell everything I know as completely as I know and I keep thinking of incidents all the time. When I hear other people testify they remind me of things-some of them in my favor like that letter, I didn't know it existed till I stumbled over it. I finally remembered things that can be construed as good or bad. I've tried to just get everything out of me that I know because I feel by telling the truth everything will fit

together, if I don't tell the truth, things go bad. I have done nothing wrong to my knowledge that could hurt this country and, therefore, I feel I have nothing to hide.

Counsel: I guess that's all.

Chairman: Mr. Berueffy, I take it that you've completed all the evidence that you wish to give the Board?

Counsel: Yes.

Chairman: Would you require or do you desire a copy of the transcript of this case, less the exhibits.

Counsel: I'd like very much to have it, if I may.

Chairman: We, of course will keep the exhibits, but you will have the transcript and and they'll be referred to in the transcript. It will be furnished you without cost, of course.

Counsel: Thank you.

Chairman: Thank you gentlemen.

[fol. 533]

EXHIBIT 15 TO STIPULATION

CA 3561-54 WJS/fc

May 25, 1954

Engineering and Research Corporation Riverdale, Maryland Registered

ATTN: Security Officer Return Receipt Requested

Re: Greene, William L.

Gentlemen:

Reference is made to letter of 17 April 1953 from the Secretary of the Navy advising you of his decision that the continued access of William Lewis Greene to Navy classified information is inconsistent with the best interests of national security.

In accordance with Mr. Greene's subsequent request to the Secretary of the Navy for a reconsideration of that decision or, in the alternative, that he be afforded a hearing, the Secretary of the Navy requested this Board to assume jurisdiction of the case for the purpose of granting Mr. Greene a hearing and rendering a final determination relative to his clearance.

Pursuant to the referral of the case to this Board, Mr. Greene was granted a hearing before the Appeal Division of the Board on 28, 29, 30 April 1954.

You are advised that the Appeal Division has now entered a decision that the granting of clearance to Mr. Greene for access to classified information is not clearly consistent with the interests of national security.

Very truly yours,
ROBERT C. SULLIVAN
Executive Secretary

[fol. 534]

EXHIBIT 16 TO STIPULATION

CA 3561-54

May 28, 1954

WJS/fc

Mr. William Greene 429 First Street Annapolis, Maryland Deliver to Addressee Only Registered Return Receipt Requested

Dear Mr. Greene:

Reference is made to the 17 April 1953 action of the Secretary of the Navy revoking your clearance for access to classified information of the Department of the Navy and to your subsequent requests for a reconsideration of that action or, in the alternative, a hearing in the matter.

Specifically to allow you the hearing you requested and to afford you an opportunity for full presentation of your case, the Secretary of the Navy requested this Board, established by joint directive of the Secretaries of the Army, Navy and Air Force dated 4 May 1953, to assume juris-

diction in the matter and to render a final-determination relative to your clearance.

Accordingly, after due notification to you and presentation to you of a Statement of the Reasons which had resulted in the revocation of your clearance in the first instance (which reasons had been communicated to you in less detailed form in letters of 20 November 1951 from the Army-Navy-Air Force Personnel Security Board and 8 January 1952 from the Industrial Employment Review Board, and had later been made known to you in great detail in a hearing held on 23 January 1953 before the Industrial Employment Review Board), you were accorded a hearing before the Appeal Division of this Board. Hearing was held on 28, 29, 30 April 1954 in New York, New York.

The Appeal Division has now rendered its decision based upon the evidence contained in the record and the testimony and evidence presented at the hearing.

The decision of the Appeal Division is that, on all the [fol. 535] available information, the granting of clearance to you for access to classified information is not clearly consistent with the interests of national security.

Very truly yours, ROBERT C. SULLIVAN Executive Secretary

EXHIBIT 17 TO STIPULATION

CA 3561-54

June 4, 1954

Dear Mr. Sullivan:

Re: William L. Greene

Mr. Greene has forwarded to me your letter of May 28, 1954, with reference to the determination of the Board in his case.

The letter which you sent Mr. Greene did not include the statement of findings as set forth in Section 20 of the

Regulations issued by the Office of the Chief of Naval Operations on May 29, 1953. Also, although Section 19(i) provides for a verbatim transcript to be furnished to Mr. Greene or to me on request, and although we requested such a transcript at the time of the hearing, we have not as yet received such a transcript.

The two documents referred to are essential for the preparation of the petition for reconsideration contemplated by Section 20(e) of the Regulations referred to. It is our intention to file such a petition for reconsideration, since in my opinion this should be done in order fully to exhaust Mr. Greene's administrative remedies.

I would very much appreciate your courtesy in forwarding the two documents in question to me without delay. Since the Regulations provide no time limit for the filing of such a petition for reconsideration, and since I believe that such a petition should not be delayed any more than is necessary, I would appreciate receiving these documents [fol. 536] in order that I may prepare the petition for reconsideration as soon as possible.

Respectfully yours, s/ Carl W. Berueffy

Mr. Robert C. Sullivan
Executive Secretary
Eastern Industrial Personnel Security Board
45 Broadway
New York, New York

EXHIBIT 18. TO STIPULATION

CA 3561-54

June 9, 1954

Mr. Carl W. Berueffy 636 Wyatt Building Washington 5, D.C.

Dear Mr. Berueffy: 4

Heceipt is acknowledged of your letter of June 4, 1954 in the case of Mr. William L. Greene.

Security considerations prohibit the furnishing to an appellant of a detailed statement of the findings on appeal inasmuch as the entire file is considered and comments made by the Appeal Division panel on security matters which could not for security reasons form the basis of a statement of reasons.

The transcript of hearing held in Mr. Greene's case has not been completed as of this date. It will be forwarded to you as soon as possible.

Sincerely yours,

ROBERT C. SULLIVAN Executive Secretary

[fol. 537]

EXHIBIT 19 TO STIPULATION

CA 3561-54

September 16, 1955

Industrial Personnel Review Board Department of Defense Washington 25, D.C.

Attention: Mr. Jerome Fenton, Executive Director

Re: William Lewis Greene

Gentlemen:

Pursuant to Section 24b of the Industrial Personnel Security Review Regulation, approved by the Secretary of Defense on February 2, 1955, the request of William Lewis Greene, the person concerned, is hereby made for a review of the decision, dated May 30, 1954, of the Eastern Industrial Personnel Security Board, affirming an order of Robert A. [sie] Anderson, Secretary of the Navy, denying William Lewis Greene access to the plant of Engineering and Research Corporation, Riverdale, Maryland.

The ground upon which this review is sought is that the decision of the Board was contrary to the facts and involved a misapplication and misinterpretation of the criteria for determining the existence of, a security risk. A brief in

support of such review based upon the evidence in this case is being prepared and will be filed with the Board at the earliest possible date.

I respectfully call your attention to the fact that this case is the subject of a pending action for judicial relief in the United States District Court for the District of Columbia. It is our view that the discretionary review provided for in Section 24b of the Regulation does not in any manner affect the right for the relief sought in the pending action. Since, however, an administrative remedy may be available under the Regulation, Mr. Greene desires to pursue this or any other possible administrative remedy. In so doing, it is of course to be understood that seeking this remedy will not prejudice either side in the pending law suit.

[fol. 538] This request is made pursuant to the suggestion of the Honorable R. F. Fogler, Assistant Secretary of the Navy (Material), in his letter of August 30, 1955, addressed to Mr. H. A. Berliner. It is my understanding of the Regulation that your Board is without jurisdiction to review the decision complained of except at the request of the person concerned.

Respectfully yours,

WILLIAM LEWIS GREENE

By s/Carl W. Berueffy His Attorney [fol. 563]

EXHIBIT 21 TO STIPULATION

CA 3561-54

March 13, 1956

CERTIFIED MAIL No. 836708

Jerome D. Fenton, Director

Office of Industrial Personnel Security Review

Department of Defense

Washington 25, D. C.

Dear Mr. Fenton:

I have your letter of March 12 with reference to the case of William Lewis Greene.

The review of this case by your board was undertaken at the suggestion of the Department of Justice under a specific agreement that the review would be limited to the record as made before the Eastern Industrial Personnel Security Board. Your letter demonstrates substantial breaches of that agreement. The board secured additional information. We do not know the nature of that information, or its relevance. We have not been permitted to examine or refute it. In addition, a completely new charge, that Greene is "untrustworthy", is made an independent basis of determination. This charge has never been made before, and is completely unsupportable in fact.

Either because of an effort to avoid the legal implications of this breach of agreement and further invasion of the constitutional requirements of due process, or because of carelessness, your letter contains gross mestatements of facts. It implies that the only additional evidence considered was the statement of Colonel Henry Berliner, and it states that your office furnished me with a copy of that statement. As we both know, these statements are untrue. If they were due to carelessness, such gross disregard of the requirements of accuracy is unpardonable in a matter of this seriousness.

The stated conclusions of the Board are, of course, unsustainable on any evidence in the record. The disregard

of the agreement and the inaccuracies of your letter deprive them of any credence. A Board which can not or will not [fol. 564] state accurately the facts concerning the simple mailing of a letter lacks the capacity to decide issues of fact appearing in a complicated record. A Board which can not or will not adhere to an agreement is not entitled to have its findings of fact respected.

Respectfully yours, s/ Carl W. Berueffy

EXHIBIT 22 TO STIPULATION

CA 3561-54

OFFICE OF THE SECRETARY OF DEFENSE WASHINGTON 25, D. C.

March 16, 1956

Carl W. Berueffy, Esq. 636 Wyatt Building Washington 5, D. C.

Dear Mr. Berueffy:

While I fully understand your deep disappointment in the decision of the Industrial Personnel Security Review Board, I must, nonetheless, set the record straight insofar as your letter of March 13 is concerned.

In the first place the Review Board in no way acted in derogation of any agreement with the Department of Justice. The Department of Justice has never discussed the handling or the administrative review of this case by the Review Board with me or with any member of the Review Board. The Board reviewed this case upon the basis of your petition for review which was addressed to my Office and on no other basis.

Next, I want to set you straight on the reference to your having been furnished the information that resulted from the interview with Mr. Henry Berliner. You will recall that Mr. Berliner had appeared at the hearing in this case and had suggested that certain important facts (concerning

[fol. 565] the relationship of your client with the Soviet Embassy) were hazy in his mind. He offered to make available any corporate records that might establish these facts in all their detail.

In the course of its painstaking study of the evidence taken at the hearing, the Review Board requested that an interview be arranged with Mr. Berliner with a view toward accepting Mr. Berliner's offer for the corporate records in question. I arranged for the interview and in an effort to be scrupulously fair with you and your client, I notified you that the interview was to take place and the purpose for which the information was sought.

The day after the interview Mr. Berliner signed a statement of his recollection of the facts, but indicated that he was still hazy about them. He also went to the President of the Corporation, Mr. Lester A. Wells, who examined the records and prepared a statement reflecting all that was contained in the corporate records on the question of the relationship of your client with the Soviet Embassy.

Mr. Berliner stated that he had discussed with your client the information sought in the interview in advance of preparing his statement and had furnished your client with a copy of the statement.

I am sure you will agree, therefore, that the reference in my letter to your having been furnished with a copy of Mr. Berliner's statement to the Government is an accurate straightforward statement of the matter. If your client did not give you the statement furnished the Government, then I suppose you would be literally correct that you personally did not receive it. I suggest, however, that you again search your files and see if you don't have the signed statements that were furnished your client by Mr. Berliner. To aid you in your search, I am enclosing additional copies for your ready reference.

I do not think that any useful purpose would be served by my taking exception to the remainder of your letter, but I want to assure you that this office will continue to cooperate with you in every way possible.

Very truly yours,

Jerome D. Fenton, Director, Office of Industrial Personnel Security Review

2 Incs

[fol. 566]

IN UNITED STATES DISTRICT COURT

MOTION FOR SUMMARY JUDGMENT-Filed December 7, 1956

Plaintiff moves the court, pursuant to Rule 56 of the Federal Rules of Civil Procedure, to enter judgment for the plaintiff for the relief demanded in his complaint, on the ground that there is no genuine issue as to any material fact in this action and that plaintiff is entitled to judgment as a matter of law, as appears from the pleadings, stipulation of facts, and the admissions therein contained on file in this action, and the affidavits of William L. Greene, Henry A. Berliner, and Carl W. Berueffy attached hereto and made a part hereof.

/s/ Carl W. Berueffy, Attorney for Plaintiff.

[fol. 569].

Affidavit of Henry A. Berliner in Support of Motion District of Columbia, ss:

Henry A. Berliner, of lawful age, being first duly sworn on oath deposes and says:

During the year 1953, and for many years previous thereto, I was the principal stockholder of Engineering and Research Corporation, a corporation which had its principal place of business at Riverdale, Maryland. I was also the chairman of the board, and the principal executive officer of this corporation.

I am acquainted with William Lewis Greene. Prior to the month of April, 1953, Mr. Greene was Vice-President in charge of engineering and General Manager of Engineering and Research Corporation. He has been employed by this corporation since 1937. His progress in the company had been consistent. He was one of our most valued and valuable employees, and was responsible for much of the work which Engineering and Research Corporation was doing. In April, 1953, the company received a letter from the Secretary of the Navy advising us that clearance had been denied to Mr. Greene and advising us that it would be necessary to bar him from access to our plant. In view of his position with the company, there was no work which he could do in light of this denial of clearance by the Navy. As a result, it was necessary for the company to discharge him. There was no other reason for Mr. Greene's discharge, [fol. 570] and in the absence of the letter referred to, he could have continued in the employment of Engineering and Research Corporation indefinitely.

/s/ Henry A. Berliner

Subscribed and sworn to before me this 30th day of March, 1956.

/s/ (Illegible), Notary Public, D. C.

/s/ Carl W. Berueffy, Attorney for Plaintiff.

Affidavit of William L. Greene in Support of Motion for Summary Judgment

District of Columbia ss:

William L. Greene, of lawful age, being first duly sworn, on oath deposes and says:

I am the plaintiff in the above entitled action and I make this affidavit of my own knowledge. I have examined the complaint and answer in the above entitled action and state the following facts with reference thereto:

I was first employed by Engineering and Research Corporation of Riverdale, Maryland, in May 1937 immediately following my graduation from college. I worked continuously for that company except for one four-month period when I was on leave of absence and worked at General Motors in Dayton, Ohio in 1940, until April 1953. I was initially employed as a junior engineer, doing drafting and

calculating in connection with propeller designs. From time to time after my employment with Engineering and Research Corporation, I received successive increases in pay and promotions in position, until during the latter part of the war I was appointed Chief Engineer of the Propeller [fol. 571] Division. In 1948 I was promoted to the position of Chief Engineer of the company. I continued as Chief Engineer of the company until 1951, when I was elected Vice President in Charge of Engineering for the company. In late 1952 or early 1953 I was given the additional duties of the general managership of the company, and I continued to hold both that position and that of Vice President in Charge of Engineering until April 21, 1953. On or about April 21, 1953, I was in conference with Mr. Lester Wells, President of the company. He handed me the letter which he had received from the Secretary of the Navy, a copy of which is set forth in paragraph 5 of the complaint on file herein, and allowed me to read it. He then told me that under the circumstances, it would be impossible for me to continue in my position as Vice President in Charge of Engineering and General Manager. The circumstances which he mentioned as precluding my employment were: (1) the fact that it was impossible for me to exercise my responsibility as Vice President in Charge of Engineering without access to the data relating to projects on which the engineering divisions were engaged; (2) the fact that, in view of the physical arrangement of the plant, it was impossible to segregate the Navy work from whatever other work might be in the plant; (3) the fact that the Navy was the principal customer of the company and was largely responsible for the financing of the company and that the goodwill of the Navy was essential for the continued success and operation of the company. He told me that he would arrange for my severance pay, thus terminating my employment with the company. I left the company that day. Later I received a letter from Mr. Wells indicating that the company still desired my services. A copy of this letter is attached to this affidavit as Exhibit A. At the time I left the company, my annual salary was \$18,000. I was also to receive bonuses based on the company's success. At the time I left the company, I had not actually received any bonus since 1945 or 1946, although I did subsequently receive a bonus based on services performed prior to April 21, 1953.

I was educated at the Guggenheim School of Aeronautics at New York University. I was graduated from that insti-[fol. 572] tution with the degree of Bachelor of Science in Aeronautical Engineering. All of my experience, except for minor casual consulting work, has been in the aircraft industry. After my discharge from Engineering and Research Corporation, I made every possible effort to secure other employment at a salary commensurate with my experience, but I was unable to do so because all of my work history had been in the field of aeronautics. In spite of everything I could do, the best position I could obtain was a draftsman-engineer in an architectural firm. I was obliged to go to work for a salary of \$4,400 per year, because the basis upon which a higher salary would be justified was experience in a field which was not particularly useful in the type of work which I was able to obtain. As a result of the actions of the defendants complained of, the field of aeronautical engineering was closed to me.

/s/ William L. Greene

Subscribed and sworn to before me this 28th day of December, 1954.

/s/ Bertha G. Sherman, Notary Public, District of Columbia.

[fol. 579]

EXHIBIT A TO AFFIDAVIT

Engineering and Research Corporation Riverdale, Maryland

25 February 1954

Mr. William L. Greene 429 First Street Eastport, Annapolis, Maryland

Dear Bill:

As you are aware, we have been holding open the position of General Manager hoping that your case would be cleared up so that you could return to us in that capacity. This has naturally created a hardship for several of us in the top management of the corporation.

We have reached a point where it will be necessary for us to look elsewhere for a new General Manager (since there does not seem to be anyone here capable of taking the job over) unless we have some assurance that your case will be decided in the very near future. Therefore would you let us know this week if possible when your new hearing is scheduled? Of course if there is any evidence that Henry and I can give, we will be very glad to come up to New York to appear before the Board. We would also grant leave to any other members of this organization that you would care to have give evidence.

You know, of course, that we feel strongly that we would like to have you back since your seventeen years with the company gives you a big advantage over any outsider that we would have to bring in.

[fol. 580] Henry joins me in wishing you the best of luck.

Very sincerely,

/s/ L. A. Wells, President

LAW/hb

IN UNITED STATES DISTRICT COURT

DEFENDANTS' MOTION TO DISMISS OR IN THE ALTERNATIVE CROSS MOTION FOR SUMMARY JUDGMENT— Filed February 6, 1957

Now come the defendants, Charles E. Wilson, Secretary of Defense, Robert B. Anderson, and Charles S. Thomas, Secretary of Navy, and upon the complaint and exhibits attached thereto, the answer, the amended and supplemental answer and exhibits attached thereto, the stipulation of the parties and exhibits attached thereto, and the exhibit annexed to this motion, move this court to dismiss this action on the ground that the Court lacks jurisdiction to entertain this suit;

In the alternative, defendants move under Rule 56 of the Federal Rules of Civil Procedure for summary judgment on the ground that there is no genuine issue as to any material fact and that defendants are entitled to judgment as a matter of law.

In support of this motion the Court is respectfully referred to defendants' memorandum of points and authorities attached hereto.

> /s/ George Cochran Doub, Assistant Attorney General, /s/ Donald B. MacGuineas, Attorney, Department of Justice, /s/ Beatrice M. Rosenhain, Attorney, Department of Justice.

[fol. 581]

Office of the Secretary of Defense Washington 25, D. C.

Pursuant to the provisions of Department of Defense Directive Number 5015.1 dated July 31, 1952, I hereby certify that the annexed document is a true copy of an original document on file in the Department of Defense.

In witness whereof, I have hereunto set my hand and caused the seal of the Department of Defense to be affixed this 31st day of October in the year of 1956, A.D., at Washington, District of Columbia.

/s/ Shirley E. Meyer
Administrative Assistant
Office of Administrative Services

(SEAL)

Ехнівіт то Мотіон

The Deputy Secretary of Defense Washington 25, D. C.

April 30, 1953

Memorandum for the Secretary of the Navy

Subject: Revocation of Letter of Consent for William Lewis Greene.

In view of the Secretary's memorandum of 27 March 1953, abolishing the Industrial Employment Review Board

and the Army-Navy-Air Force Personnel Security Board, and your letter of 17 April 1953, to the Engineering Research Corporation, requesting the Company to bar Mr. Greene from access to all Navy classified information, copies of which were furnished the Secretaries of the Army and the Air Force for similar action, if they are of the same opinion, I see no necessity for the Secretary of Defense also advising the Company as recommended. Accordingly, the file is returned without action.

/s/ Roger M. Kyes Acting

copy

[fol. 582]

IN UNITED STATES DISTRICT COURT

Memorandum-March 29, 1957

The plaintiff seeks a mandatory injunction and declaratory judgment directed towards the nullification of a communication dated April 17, 1953 by the then Assistant Secretary of the Navy to his employer, an engineering and research corporation with its principal place of business in Maryland, to the effect that his access to Navy classified security information was inconsistent with the best interests of national security.

First of all, it may be said: "It is a prerequisite to the maintenance of any action for specific relief that the plaintiff claim an invasion of his legal rights, either past or threatened." Larson v. Domestic & Foreign Corp., 337 U. S. 682 at 693. In other words, he must allege conduct that is illegal and "If he does not, he has not stated a cause of action. This is true whether the conduct complained of is soverign or individual." Id.

The factual picture briefly is this: The plaintiff, as had been indicated, was employed by the corporation referred to above and has been for some years. He was its General Manager and Vice President in charge of engineering, and its main business presumably was Defense Department contracts which involved classified matter. As a condition to and as an integral part of such contracts, his employer

agreed early in June of 1951 to, among other things, cooperate with the Government in reference to security controls and the Government, in turn, agreed upon written
application by the contractor to specifically designate such
of its employees who might have access to matter classified
top secret or secret, or "in the case of contracts for furnishing or constructing aircraft, aircraft parts or aeronautical accessories, to have access to the plans or
specifications or to the work under contruction, or to participate in the contract trials, whether such aeronautical
contracts are classified or not."

There was also published on or about the same time an Industrial Security Manual, so-called, designed specifically for the safeguarding of classified matter which the [fol. 583] contractor agreed to adhere to in relation to security controls, and which Manual defined responsibility with regard to classified material on Government defense contracts. Paragraph 4(e) of the Manual stated:

"The contractor shall exclude (this does not imply the dismissal or separation of any employee) from any part of its plants, factories or sites at which work for any military department is being performed, any person or persons whom the Secretary of the military department concerned or his duly authorized representative, in the interest of security, may designate in writing." [Underlineation supplied.]

Both the contractual agreement and the Industrial Security Manual were in force during the critical time period of April 1953 when the communication in question was written and at all times relevant thereafter.

It might be said that the plaintiff originally had clearances for access to classified Department of Defense information and materials. These clearances, however, were revoked on December 5, 1951. This finding was reversed subsequently by the Industrial Employment Review Board and by letter dated January 29, 1952, the plaintiff's employer was so advised. However, in March of 1953 the Army-Navy-Air Force Personnel Security Board and the Industrial Employment Review Board were abolished and there was then established by the various Secretaries of the individual-military establishments, jointly, what were designated as Regional and Industrial Personnel Security Boards, together with so-called Uniform Standards of Operation. It was at this time, upon the abolishment of the Industrial Employment Review Board, and immediately prior to the establishment of the new Boards, that the communication complained of was written in conformity to paragraph 4(e) referred to above.

The plaintiff's employer immediately complied with the request and by letter dated April 24 in that year advised that it had excluded the plaintiff from any part of its plant, factories and sites and barred him access to all security information. As a consequence, the services of plaintiff

[fol. 584] were dispensed with.

There is no need to follow the rather tortuous course of events that followed. Sufficient to say that upon request, the plaintiff was furnished with a detailed statement of the reasons which resulted in the revocation of his clearances and which had been previously made known to him by correspondence. None of this post factum activity in relation to the communication, no matter how viewed, fills in the fatal gap so plainly present in the plaintiff's claim. It is fundamental when one presumes to accept a contractual offer then that offer must be accepted in terms, and one of the terms here, as has been said, related to security con-. trols. The necessity for such is obvious. If the plaintiff's employer did not see fit to accept and conform, it had perfect freedom not to enter into the contract. On acceptance of the offer in terms, it was obliged in the circumstances to carry out its essentials, the presumed result of which was the loss by the plaintiff of his position. But this cannot be said in any degree to be the fault of the Government, for here, through properly constituted authority, it was exercising its right to protect itself against threats to its survival, and as far as the action of an individual was concerned; this action taken, even envisioning the result to the plaintiff, fails to set forth any invasion of his legal rights and, therefore, as has been said, there is no justiciable controversy and the Government's motion for summary judgment is granted.

Assuming arguendo he was entitled to hearing and review, he was accorded such and an examination of the extensive and repetitive record fails to show any violation of procedural due process. It should be noted also that the hearings held in the instant case apparently are exempted from the requirements of the Administrative Procedure Act as hearings held "by regulation, rule, custom, or special dispensation; not ... held by compulsion." Wong Yang Sung v. McGrath, 339 U. S. 33, 50 (1950).

Order accordingly.

/s/ Matthew F. McGuire, United States District Judge.

March 29, 1957

[fol. 585]

IN UNITED STATES DISTRICT COURT

ORDER DISMISSING COMPLAINT-April 8, 1957

This cause having been submitted on plaintiff's motion for summary judgment and defendants' motion to dismiss or in the alternative for summary judgment, and the court having considered all the pleadings, affidavits, exhibits, stipulation, and memoranda of law submitted herein and having heard arguments of counsel, and having issued a memorandum opinion on March 29, 1957,

Now, Therefore, it is by this court this 8th day of April, 1957, Ordered:

That the plaintiff's motion for summary judgment be denied, and that the defendants' motion to dismiss and for summary judgment be and it hereby is granted, and that the complaint be and it hereby is dismissed.

/s/ Matthew F. McGuire, Judge.

Seen: /s/ Carl W. Berueffy, Attorney for Plaintiff.

IN UNITED STATES DISTRICT COURT

NOTICE OF APPEAL—Filed May 13, 1957

Notice is hereby given this day of May, 1957, that William L. Greene hereby appeals to the United States Court of Appeals for the District of Columbia from the judgment of this Court entered on the 8th day of April, 1957 in favor of defendants, Charles E. Wilson, et al. against said plaintiff, William L. Greene.

/s/ Carl W. Berueffy, Attorney for Plaintiff.

[fol. 586]

IN THE UNITED STATES COURT OF APPEALS. FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 13,978

WILLIAM L. GREENE, Appellant,

NEIL M. McElroy, Secretary of Defense, et al., Appellees.

Appeal from the United States District Court for the District of Columbia

Opinion—April 17, 1958

Mr. Carl W. Berueffy for appellant.

Mr. Donald B. MacGuineas, Attorney, Department of Justice, with whom Assistant Attorney General Doub and Messrs. Oliver Gasch, United States Attorney, Paul A. Sweeney and Miss Beatrice M. Rosenhain, Attorneys, Department of Justice, were on the brief, for appellees.

Before WILBUR K. MILLER, WASHINGTON and DANAHER, Circuit Judges.

Washington, Circuit Judge: This case challenges the revocation of a "security clearance" by the Secretary of the Navy. The Secretary's act withdrew from appellant

Greene, an employee of a private corporation holding Defense Department contracts, access to classified defense information. The instant appeal seeks reversal of an order of the District Court, 150 F.Supp. 958 (D.D.C. 1957), [fol. 587] dismissing appellant's complaint for lack of a justiciable controversy between appellant Greene on the one hand, and the Secretary of Defense and his subordinate the Secretary of the Navy on the other.

I.

The facts of the case are these: Upon graduation from the Guggenheim School of Aeronautics at New York University in 1937, appellant Greene was hired as a junior engineer by Engineering & Research Corporation (Erco), a manufacturing company. From that time until he was dismissed by the corporation in April 1953, he worked for Erco continuously (save for a short-period in 1940 not here relevant). At the time of his dismissal he was Erco's Vice President in charge of Engineering and General Manager at an annual salary of \$18,000 plus bonuses. He then possessed Government clearance for access to "secret" information. His dismissal followed receipt by Erco's President of the following letter dated April 17, 1953, from appellee Secretary of the Navy:

"I have reviewed the case history file on William Lewis Greene and have concluded that his continued access to Navy classified security information is inconsistent with the best interests of National security."

"In accordance with paragraph 4.e. of the Industrial Security Manual for Safeguarding Classified Security Information,² therefore, you are requested to exclude

¹ Greene was cleared for access to "confidential" information by the Army on August 9, 1949; for "top secret" by the Assistant Chief of Staff, G-2, Military District of Washington on November 9, 1949; for "top secret" by the Air Materiel Command on February 3, 1950; and for "secret" by the Industrial Employment Review Board on January 29, 1952.

² The Industrial Security Manual for Safeguarding Classified Matter was issued by the Department of Defense in January 1951 and subsequently revised. For current edition see 2 Gov't Sec. &

[fol. 588] William Lewis Greene from any part of your plants, factories or sites at which classified Navy projects are being carried out and to bar him access to all Navy classified security information.

"In addition, I am referring this case to the Secretary of Defense recommending that the Industrial Employment Review Board's decision of 29 January

1952 be overruled:"

One week later the President of Erco, acting pursuant to the security agreement which Erco had executed,3 replied to the Secretary, in part:

"In accordance with your request, please be advised that since receipt of your letter this company has excluded Mr. Greene from any part of our plants, factories or sites and barred him access to all classified security information."

[fol. 589] Appellant subsequently requested, and was accorded, extensive administrative hearings, the details of which need not be recounted here. At these hearings appellant was given a thirteen count specification of the

Loy. Rep. 25:95 (Feb. 1957). The Manual is incorporated by reference in the Department of Defense Security Agreement (DD Form 441) which must be executed by all defense contractors who wish to secure facility security clearance. Paragraph 4(e), of the Manual (now par. 5(c)) provided:

The Contractor shall exclude (this does not imply the dismissal or separation of any employee) from any part of its plants, factories, or sites at which work for any military department is being performed, any person or persons whom the Secretary of the military department concerned or his duly authorized representative, in the interest of security, may designate in writing."

3 It was stipulated between the parties that "Under date of June 5, 1951, the United States, acting through the Navy Department, entered into a security agreement with Engineering and Research Corporation. . . . During April, 1953, the Navy Department and Engineering and Research Corporation were parties to classified procurement contracts. . . . All of such classified procurement contracts incorporated by reference the aforesaid Industrial Security Manual, including Paragraph 4e thereof."

reasons for the revocation of his clearance. The Government put on no witnesses, nor did it disclose the investigative reports on which the specifications were based. Appellant took the stand, and presented a number of witnesses. He was finally advised, as of May 28, 1954, that "the granting of clearance to you for access to classified information is not clearly consistent with the interests of national security."

In August 1954 appellant filed this action in the District Court seeking a judgment (1) declaring "illegal, null, void and of no effect... the acts of the defendant [Secretary of the Navy] Anderson and all acts of the defendants in pursuance thereof, in advising plaintiff's employer that plaintiff could not be employed," and (2) ordering the appellees "to advise the plaintiff's employer, Engineering and Research Corporation, that the letter of April 25 [17?] signed by ... Anderson ... is illegal, null, void, and of no effect."

In February 1955-before Greene's lawsuit had come to issue—the Department of Defense issued its Industrial Personnel Security Review Regulation, Department of Defense Directive 5220.6, 20 Fed.Reg. 1553 (1955), superseding the joint directive under which Greene's clearance had been revoked. The new directive, inter alia, established revised procedures for screening industrial personnel, and the Board set up thereunder was given authority to review prior decisions of regional boards "on the grounds of newly discovered evidence or for other good cause shown." The standard under the new regulation remained that "clearance shall be denied or revoked [fol. 590] if it is determined, on the basis of all the available information, that access to classified information by the person concerned is not clearly consistent with the interests of the national security." 5 At Greene's request the new Board undertook to reexamine his case. After submission of further briefs, the Director, Office of Industrial Personnel Security Review, notified appellant's at-

DOD Directive 5220.6, par. 24.a, 32 C.F.R. § 67.5-2(a) (Supp. 1957).

⁵ DOD Directive 5220.6, par. 12, 32 C.F.R. § 67.3-1 (Supp. 1957).

torney on March 12, 1956, that the Review Board had

affirmed the May 1954 decision.

After this adverse decision the case in the District Court proceeded to trial. A stipulation of facts was entered. Both parties moved for summary judgment; the Government also moved to dismiss. It was admitted that appellant had exhausted his administrative remedies. The District Court denied appellant's motion and granted appellees' motions in a memorandum opinion. The Court held, relying on paragraph 4.e. of the Industrial Security Manual, see note 2, supra, that there was no justiciable controversy:

"It is fundamental when one presumes to accept a contractual offer then that offer must be accepted in terms, and one of the terms here, as has been said, related to security controls. The necessity for such is obvious. If the plaintiff's employer did not see fit to accept and conform, it had perfect freedom not to enter into the contract. On acceptance of the offer in terms, it was obliged in the circumstances to carry out its essentials, the presumed result of which was the loss by the plaintiff of his position. But this cannot be said in any degree to be the fault of the Government, for here, through properly constituted authority, it was exercising its right to protect itself against threats to its survival, and as far as the action of an individual was concerned, this action taken, even envisioning the result to the plaintiff, fails to set forth any invasion of his legal rights [fol. 591] and, therefore, as has been said, there is no justiciable controversy and the Government's motion for summary judgment is granted.

"Assuming arguendo he was entitled to hearing and review, he was accorded such and an examination of the extensive and repetitive record fails to show any violation of procedural due process. It should be noted also that the hearings held in the instant case apparently are exempted from the requirements of the Administrative Procedure Act, 5 U.S.C.A. § 1001 et seq., as hearings held 'by regula-

tion, rule, custom, or special dispensation; not . . . held by compulsion.' Wong Yang Sung v. McGrath, 1950, 339 U.S. 33, 50, 70 S.Ct. 445, 454, 94 L.Ed. 616." 150 F.Supp. 958, 959-60 (D.D.C. 1957).

This appeal followed.

It should be noted at the outset that Greene does not here contend that the officials of the Department of Defense have failed to comply with the relevant provisions of the various industrial security regulations under which they proceeded against him. To that significant extent at least, this case differs from Peters v. Hobby, 349 U.S. 331 (1950); Service y. Dulles, 354 U.S. 363 (1957); and Cole v. Young, 351 U.S. 536 (1956). In each of those cases the issue treated by the Court was the compliance vel non by executive officers with applicable statutes or regulations. And in each of those cases the Supreme Court found lack of compliance. See also Stewart v. Dulles, — U.S.App. D.C. —, 248 F. 2d 602 (1957); cf. Vitarelli v. Seaton, — U.S.App.D.C. —, — F. 2d — (1958). It should further be noted that appellant does not claim that the contracts on which he seeks to work are not validly labelled "classified."

The relief Greene seeks is a declaration that he was barred from access to classified material in a manner which violates the Constitution. He seeks further a court order restoring him to status quo ante: i.e., an order which will make it possible for Erco to rehire him. Thus, in essence, he seeks to compel the Government to disclose its classified [fol. 592] defense information to a person—himself—whom the Secretary of Defense considers unworthy of such access.

Π.

We consider first Greene's contention that the Secretary lacked power to take the action here challenged. He does not argue that the executive lacks all power—inherent or statutory—to classify certain defense information. Nor does he suggest that the subject matter of the Erco contracts was not properly labelled "secret." Rather he argues that the Secretary possesses only lim-

ited powers—powers circumscribed by the Fifth Amendment—to decide who shall have access to that classified material.

The Government contends that it possesses statutory authority to restrict access to classified defense information, stemming from Rev. Stat. § 161 (1875), 5 U.S.C. § 22 (1952), which provides:

"The head of each department is authorized to prescribe regulations, not inconsistent with law, for the government of his department, the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it."

Additionally, the Government relies on the Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C. §§ 151-61 (1952), which provides, in part:

- "§151.(c) All purchases and contracts for supplies and services shall be made by advertising, as pro-[fol. 593] vided in section 152 of this title, except that such purchases and contracts may be negotiated by the agency head without advertising if—
- "(1) determined to be necessary in the public interest during the period of a national emergency declared by the President or by the Congress;
- "(12) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed;

"§ 153 . . . contracts negotiated pursuant to section 151(c) of this title may be of any type which in

⁶ It should be noted that at this point we are discussing only the power of the Secretary to withhold classified defense information. We are not, at this point, discussing the withholding from Greene of the reports of informants and Federal Bureau of Investigation reports in the proceedings in which Greene challenged the revocation of his clearance.

the opinion of the agency head will promote the best interests of the Government. . . . "

In this latter statute Congress gave to the Defense Department power—during an emergency—to purchase its supplies by means of negotiated contracts, rather than through public, competitive bids. And it seems to us that Congress specifically gave to the Secretary of Defense broad discretion to determine in what manner the "character, ingredients, or components" covered by the contract should be safeguarded from disclosure. We think that the Procurement Act permits the Secretary of Defense to classify defense information for purposes like the present one. Thus we need not determine whether the "house-keeping" statute, 5 U.S.C. § 22 (1952), is an independent source of executive authority for withholding defense or other types of executive information.

Furthermore, Executive orders specifically direct department heads to make appropriate provision for safeguarding classified defense information in accord with the congressional authorization of the department head [fol. 594] to enter into negotiated contracts. Executive Order No. 10501, and its predecessor Executive Order No. 10290, in their full terms, provide an adequate guide to the Secretary for protecting certain defense information from the risk of improper disclosure during industrial

⁷ A state of national emergency was declared by the President on December 16, 1950. Proclamation No. 2914, 15 Fed.Reg. 9029. This proclamation was in effect during all of the administrative proceedings in this case.

^{*} See, for example, Executive Order No. 10290, 16 Fed.Reg. 9795, 9799 (1951), which provides:

[&]quot;30. · · · ·

[&]quot;b. Outside the Executive Branch. Classified security information shall not be disseminated outside the Executive Branch by any person or agency having access thereto or knowledge thereof except under conditions and through channels authorized by the head of the disseminating agency, even though such person or agency may have been solely or partly responsible for its production."

See also Executive Order No. 10501, 18 Fed.Reg. 7049 (1953) at Section 7(b).

operations, and for enabling him to determine when "the character, ingredients, or components . . . should not be

publicly disclosed."

Further, we think that the Secretary has, and of necessity must have, wide latitude in designating persons qualified for access to classified defense information in situations like the present-namely, where the problem relates to the selection of persons to be given that information for the purpose of designing or producing for the Government weapons or other defense materials. Au-[fol. 595] thority of that sort is a necessary adjunct to the power and duty to defend the security of the Nation and, in time of national emergency,10 to enter into negotiated contracts—contracts of Cany type which in the opinion of the agency head will promote the best interests of the Government." One of the primary functions of government is to preserve the national existence. In the exercise of that function, the Government has concluded that secret designs and processes for the production of its own weapons must be protected from disclosure to any persons except those regarded as trustworthy.

Since the Secretary has power to label information "secret" and to designate certain persons for access to that information, a fortiori he has power to make regulations to guide himself and his subordinates in such labeling and designation. We are not called upon to decide whether in our view all the regulations he has from time to time promulgated in this field are in every particular or in every possible situation valid and effective. It is enough to say that in our view the general program

[&]quot;We are not dealing here with the vexed questions of the right of Congress, or the press, or the public, to be informed of defense operations generally, or to inspect particular documents. On this subject, see Mitchell, Government Secrecy in Theory and Practice: "Rules and Regulations" as an Autonomous Screen, 58 Colum L.Rev. 199 (1958); Wolkinson, Demands of Congressional Committees for Executive Papers. 10 Fed. Bar J. 103, 223, 319 (1949); Bishop, The Executive's Right of Privacy: An Unresolved Constitutional Question, 66 Yale L.J. 477 (1957); 40 Ops. Att'y Gen. 45 (1941). See also Hand, The Bill of Rights 17-18 (1958).

^{. 10} See fn. 7, supra.

for industrial security, as reflected in the regulations cited above, does not exceed his authority. We point out in this connection that the regulations are designed to give industrial employees whose trustworthiness is challenged a reasonable measure of information as to the Government's reasons for the challenge, together with an opportunity to make a defense, and to appeal an adverse decision.

Ш

Appellant claims that the regulations operate to deprive him of his occupation without due process. But the Government has not here attempted to regulate an entire [fol. 596] branch of the working population, regardless of the lack of any direct relationship of the tasks of a particular worker to the requirements of the national security, cf. Parker v. Lester, 227 F.2d 708 (9th Cir. 1955); Brown & Fassett, Security Tests for Maritime Workers: Due Process under the Port Security Program, 62 Yale L.J. 1163 (1953). Nor has it sought to exclude Greene from serving the general public in those aspects of his profession not connected with secret Government information. Cf. Schware v. Board of Bar Examiners, 353 U.S. 232 (1957) (involving complete exclusion from law practice, after procedures based on unjustified inferences as to moral character); Konigsberg v. State Bar, 353 U.S. -252 (1957). This is not a case such as Truax v. Raich. 239 U.S. 33 (1915), relied on by appellant, where discriminatory governmental action was taken against a class (there, aliens) in such terms as to affect "the conduct of ordinary private enterprise," id. at 40, and to deny "the right to work for a living in the common occupations of the community," id. at 41. Rather, the Government has here denied Greene access to its military secrets, as contained in its classified documents, under a program having a direct relationship to the requirements of the national defense, and not inherently unreasonable in its coverage or procedures.

¹¹ See fns. 2 and 4, supra, and DOD Directive 5220.6, 20 Fed.Reg. 1553 (1955).

Greene points to the fact that he was not confronted with his accusers, and that confidential reports were not revealed to him. But, in our view, confrontation with one's accusers is clearly not required in circumstances like the present. It may be noted that in the case of Federal employees Congress long ago provided in the Lloyd-LaFollette Act that "no examination of witnesses nor any trial or hearing shall be required" when dismissals are made under the provisions of that Act. 37 Stat. 555 (1912), as amended, 5 U.S.C. § 652(a) (1952). A limited form of hearing is provided under the Veterans Preference Act of 1944, for those entitled to its benefits. 58 Stat. 390 (1944), as amended, 5 U.S.C. § 863 (1952). And the Loy-[fol. 597] alty Order of March 21, 1947, Executive Order No. 9835, 12 Fed.Reg. 1935, granted hearings to employees who sought them in loyalty matters covered by that order. But mandatory confrontation with accusers is unknown, so far as we know, in dismissals of Federal employees, and has been since the beginning of our Government. See Bailey v. Richardson, 86 U.S. App.D.C. 248, 182 F.2d 46 (1950), aff'd by an equally-divided Court, 341 U.S. 918. (1951); cf. Vitarelli v. Seaton, supra. Surely appellant is entitled to no more than is available to civil servants, under existing statutes and existing interpretations of the Constitution.

Much the same must be said of the Government's refusal to disclose to appellant confidential reports of the FBI and other investigative agencies. In certain circumstances, it is true, the courts have penalized the Government for its refusal to disclose information. For example, the courts have said that if the Government brings a criminal prosecution against a person and refuses to disclose certain information necessary for a proper defense, the Government's prosecution must fail. See Jenks v. . United States, 353 U.S. 657 (1957); cf. United States. v. Reynolds, 345 U.S. 1 (1953); Totten v. United States, 92 U.S. (2 Otto) 105 (1875). But in none of the instances which we have discovered have courts actually ordered the Government to disclose information contrary to its own wishes. In the present case, the only sanction the courts could employ against the Government for failure

to disclose all of the information used against Greene would be to declare the revocation of Greene's clearance invalid. If this had any practical effect at all—and courts seldom issue orders which have no practical effect—it would amount to ordering his restoration to access to classified information. This in turn would require the executive to disclose a state secret to Greene or to cancel its contracts with Erco. No court has yet forced the Government to choose between such alterna-[fol. 598] tives—either of which might compromise the security of the country.¹²

To quote from the observations of Judge Wyzański in Von Knorr v. Miles, 60 F.Supp. 962 (D. Mass. 1945), a somewhat similar case arising during World War II:

"Two interests are in competition and must be considered: the government's concern to prevent both sabotage and disclosure to the enemy of secret processes, statistics and information; and the private individual's concern to go where he pleases and engage in such work as is offered him."

After concluding that no constitutional right of the plaintiff Von Knorr had been infringed, Judge Wyzanski [fol. 599] went on to say:

¹² We have not overlooked the decision of the Supreme Court in Harmon v. Brucker, 355 U.S. 579 (1958). The instant case differs from that in many ways. The main difference for present purposes is that Harmon was not seeking to remain in the Army. Rather he was seeking only to have the Army comply with its own discharge authority under applicable statutes and regulations, and issue him an honorable discharge. Here Greene is essentially seeking to revert to his former status with access to classified defense information. Had Harmon sought an order requiring the Secretary of the Army to retain him in military service, an entirely different case would have been presented.

¹³ The following is pertinent, though we need not go so far in the instant case:

[&]quot;Notice, hearing, counsel and the like are admittedly usually appropriate criteria of due process of law. But these guarantees have significance only if in the end the government's right to act turns on an official finding that certain facts exist. Compare Morgan v. United States, 304 U.S. 1, 58 S.Ct. 773,

"It is hardly necessary to add that these conclusions of law do not imply that this court believes that it is desirable, as distinguished from legal, for a government, no matter how absolute its power may be, to deny a chance for employment to any citizen merely on the basis of suspicion. Military commanders, like other authorities, will no doubt find it possible as well as just in most cases to give an employee notice of the facts which create their suspicion about him and a chance to present his side of the case. Even where power is free of judicial restraint, those who wield it may impose upon themselves self-restraint. And they may accept as canons for their conduct the standards of procedure which in the overwhelming majority of cases are regarded as fundamental to fair play." 60 F.Supp. at 969-71.

Although the First Circuit vacated the District Court judgment on other grounds, sub nom. Von Knorr v. Griswold, 156 F.2d 287 (1st Cir. 1946), the Court of Appeals, speaking through Judge Magruder, approved the holding quoted above:

"If we are correct in the foregoing, the court below should have dismissed the complaint for lack of jurisdiction. We recognize that the matter is not so clear as it might be. Therefore we deem it proper

⁸² L.Ed. 1129. Where in rare cases such as orders excluding persons from defense plants in war time, the government's right to act is absolute and not dependent upon the facts concerning, or the merits of, any particular case, the formalities of a notice, hearing and counsel are not requisite. Compare United States v. Juy Toy, 198 U.S. 253, 263, 25 S.Ct. 644, 49 L.Ed. 1040. No matter what evidence might be offered by counsel for the government or counsel for the individual, the government would remain legally free to disregard the testimony and rely upon its uncorroborated suspicions. Since in this highly exceptional case, because of its vital interest in war materials and war secrets during war time the government's exclusionary powers are complete, it can refuse admittance to defense plants without giving an explanation, without listening to a protest and without the semblance of a trial." 60 F.Supp. at 971.

to add that if, contrary to our view, the letter of August 13, 1943, should be deemed in legal effect an [fol. 600] order of the Secretary of War, disobedience of which would have subjected Cities Service Oil Company to the penalties of the Act of March 21, 1942, then we would agree with the district court that the order, so regarded, violated no constitutional right of the plaintiff. The full and satisfactory discussion of this phase of the case in the opinion of Judge Wyzanski below (D.C., 60 F.Supp. 962) needs no elaboration by us." 156 F.2d at 292.

Our views are substantially similar to those expressed by Judge Wyzanski and Judge Magruder. And what has so far been said is an answer, we think, to Greene's contention that he is being "punished" without due process of law. His argument essentially is that because he once was allowed to see confidential documents he has acquired a "status" which cannot be taken from him without full adversary proceedings, attended with most of the safeguards known to the criminal law. We think this ignores the necessities of the Government, and the public interest in maintaining the security of the Nation. As we have indicated, we find no basis for it in the law.

IV.

We have no doubt that Greene has in fact been injured. He was forced out of a job that paid him \$18,000 a year. He has since been reduced, so far as this record shows, to working as an architectural draftsman at a salary of some \$4,400 per year. Further, as an aeronautical engineer of considerable experience he says (without real contradiction) that he is effectively barred from pursuit of many aspects of his profession, given the current dependence of most phases of the aircraft industry on Defense Department contracts not only for production but for research and development work as well. Thus, it seems unrealistic to say—as does the Government in its brief—that:

"The Secretary's letter presented ERCO with three choices: (1) it could have continued to employ appel-

[fol. 601] lant on any work except that requiring access to Navy classified information; (2) it could have continued appellant's employment and declined to perform Navy classified contracts; or (3) it could have concluded it did not, in the circumstances, choose to continue appellant's employment. That ERCO chose to discharge appellant was its own decision, one neither suggested nor required by appellees."

As a practical matter—given Greene's position as Vice President and General Manager and given the applicable Industrial Security regulations—the Government caused Greene to be dismissed from his job at Erco.14 The small contractor has no effective choice when that choice is either to continue to do business with the Government or to do virtually no business at all. Nor do we doubt that, following the Government's action, some stigma, in

greater or less degree, has attached to Greene.

The reality of the injury, however, does not mean that Greene is entitled, without more, to judicial relief. There must be a "justiciable" controversy—one which the courts can finally and effectively decide, under tests and standards which they can soundly administer within their special field of competence. Here there is no such controversy. [fol. 602] As we have seen, Greene makes no claim of lack of compliance by the Government with its own regul lations. He attacks the Secretary's decision on its merits and as a matter of constitutional right. But for a court

To some extent the Government acknowledges that withdrawal of clearance may mean the firing of the employee. Provision is made for payment of lost earnings to a contractor employee where, after suspension of clearance, the final determination is favorable to the individual concerned. See Industrial Security Review Regu-

lation, 32 C.F.R. § 67.5-4 (Supp. 1957).

¹⁴ In May 1954, when the revocation of Greene's clearance was affirmed, the applicable facility clearance regulations required that all officers and key personnel of a corporation holding classified defense contracts must have clearance. See 32 C.F.R. § 72.8 (1955). This requirement has been carried forward into subsequent revisions of the program. See 32 C.F.R. § 72.2-107 (Supp. 1956); Security Manual for Safeguarding Classified Information, Par. 16, 2 Gov't Sec. & Loy. Rep. 25:111 (1957).

to hear de novo the evidence as to Greene's fitness to be assigned to a particular kind of confidential work would be a bootless task, involving judgments remote from the experience and competence of the judiciary. Indeed, any meaningful judgment in such matters must rest on considerations of policy, and decisions as to comparative risks, appropriate only to the executive branch of the Government. It must rest also on a mass of information, much of it secret, not appropriate for judicial appraisal. See Dayton v. Dulles, — U.S.App.D.C. —, — F.2d — (1957), cert. granted, 355 U.S. 911 (1958); United States v. Curtiss-Wright Export Corp., 299 U.S. 304, 319-22 (1936).

A direct Government employee normally has procedural rights conferred by Congress, which the courts will protect. See cases cited in Vitarelli v. Seaton, supra, at note 1. But even in the case of a Government employee the courts will not inquire into the merits of a dismissal: they will inquire whether required procedures have been observed, or an applicable statute violated, but they will not-for example—attempt to determine whether an employee is or is not a "security risk," or is "untrustworthy." Vitarelli y. Seaton, supra, at note 7. No more can the courts examine the merits of Greene's claim that he is trustworthy. In many instances, indeed, such a course would be fruitless: if the official in charge is convinced of a man's unreliability, the entire situation might be such that he could not in conscience permit the contract with the employer to remain in effect. .

The personal tragedy revealed by this recital needs no emphasis. As we have recognized, the reality of the injury suffered by Greene—whether or not deserved—is perfectly clear. So, too, is the risk which the United States [fol. 603] must take in denying itself the benefit of the services of a man apparently so proficient in the science of modern warfare. A government which is too cautious in such matters may ultimately have few secrets to protect, or able workers to serve it.

In a mature democracy, choices such as this must be made by the executive branch, and not by the judicial. If too many mistakes are made, the electorate will in due time reflect its dissatisfaction with the results a hieved. It would be an unwarranted interference with the responsibility which the executive alone should bear, were the judiciary to undertake to determine for itself whether Greene or any other individual similarly situated is in fact sufficiently trustworthy to be entitled to security clearance for a particular project.

For these reasons, the order of the District Court must be Affirmed.

[fol. 694] [File endorsement omitted]

IN UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 13,978 April Term, 1958.

C. A. 3561-54

WILLIAM L. GREENE, Appellant,

V

NEIL M. McElroy, Secretary of Defense, et al., Appellees.

Appeal from the United States District Court for the District of Columbia.

Before: Wilbur K. Miller, Washington and Danaher, Circuit Judges.

JUDGMENT-April 17, 1958

This Cause came on to be heard on the record from the United States District Court for the District of Columbia, and was argued by counsel.

On Consideration Whereof, It is ordered and adjudged by this Court that the order of the said District Court appealed from in this cause be, and the same is hereby, affirmed.

Dated: Apr 17 1958

Per Circuit Judge Washington.

[fol. 606]

CLERK'S CERTIFICATE TO FOREGOING TRANSCRIPT (omitted in printing)

[fol. 607]

Supreme Court of the United States No. 180, October Term, 1958

WILLIAM L. GREENE, Petitioner,

VS.

NEIL M. McElroy, Thomas S. Gates, Jr., and Robert B. Anderson.

ORDER ALLOWING CERTIORARI—October 27, 1958

The petition herein for a writ of certiorari to the United States Court of Appeals for the District of Columbia Circuit is granted.

And it is further ordered that the duly certified copy of the transcript of the proceedings below which accompanied the petition shall be treated as though filed in response to such writ.

LIBRARY SUPREME COURT. U. S.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1958

No. 180

WILLIAM L. GREENE, Petitioner,

NEIL M. McElroy, Thomas S. Gates, Jr., and Robert B. Anderson, Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

Carl W. Berueffy
1625 Eye Street, N. W.
Washington, D. C.
Attorney for Petitioner

July 16, 1958

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Supreme Court of the United States

OCTOBER TERM, 1957

No.

WILLIAM L. GREENE, Petitioner,

NEIL M. McElroy, Thomas S. Gates, Jr., and Robert B. Anderson, Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

William L. Greene prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the District of Columbia Circuit, entered in the above-entitled case on April 17, 1958.

CITATIONS TO OPINIONS BELOW

The memorandum opinion of the trial court, printed in Appendix A hereto, infra, pp. 1a to 4a, is reported sub nom. Greene v. Wilson, in 150 F. Supp. 958 (P.D.C., 1957). The opinion of the Court of Ap-

peals, printed in Appendix B hereto, infra, pp. 5a to 23a, is reported in 254 F. 2d 944 (adv.). It is not yet reported in the U.S. App. D.C. reports.

JURISDICTION

The judgment of the Court of Appeals was entered April 17, 1958. The jurisdiction of this Court is invoked under 28 U.S.C., § 1254(1).

QUESTIONS PRESENTED

- 1. Whether a justiciable controversy is presented by a suit for declaratory and injunctive relief challenging as invalid an order of the Secretary of the Navy denying access to clearance to classified information, which suit is instituted by a former employee of a private business enterprise discharged because of such order, and which asserts that the order is invalid because it is without foundation in fact; is beyond the statutory authority of the Secretary; and is in violation of the requirements of substantive and procedural due process?
- 2. Whether the provisions of the Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C., § 153, authorizing defense procurement contracts "of any type which in the opinion of the agency head will promote the best interests of the Government," grant Department of Defense officials unlimited discretion to cause the discharge of employees of private business enterprises by denying access to classified information? and, if so, do this attempted grant and the regulations promulgated thereunder violate the requirements of substantive due process?
- 3. Whether, if valid reasons are required for the denial of clearance, a statement of reasons which re-

cites only conduct which is neither illegal nor immoral, and all of which occurred at least seven years prior to the issuance of such statement, is sufficient as a basis for such denial?

4. Whether the requirements of procedural due process are violated by the Industrial Security regulations, which permit denial of access to information necessary for private employment on the basis of an inference by a governmental official of possible future conduct, which inference is purportedly based on information the nature and source of which is not revealed to the affected employee; and which is supplied by persons who are not required to furnish such information under oath, nor to be cross-examined; and which information the affected employee consequently has no real and effective opportunity to refute or explain, although the regulations place the entire burden of proving innocence upon the employee?

STATUTES INVOLVED

5 U.S.C., § 22, R.S. § 161:

The head of each department is authorized to prescribe regulations, not inconsistent with law, for the government of his department, the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it.

Armed Services Procurement Act of 1945, 62 Stat. 21, 41 U.S.C., (1952 edition), §§ 151-161:

151(c) All purchases and contracts for supplies and services shall be made by advertising, as provided in section 152 of this title, except that such

purchases and contracts may be negotiated by the agency head without advertising if—

- (1) determined to be necessary in the public interest during the period of a national emergency declared by the President or by the Congress;
- (12) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed; * * *
- this section, contracts negotiated pursuant to section 151 (c) of this title may be of any type which in the opinion of the agency head will promote the best interests of the Government.

Executive Order 10290, September 27, 1951, 16 Fed. Reg. 9795:

30 (b) Classified security information shall not be disseminated outside the Executive Branch by any person or agency having access thereto or knowledge thereof except under conditions and through channels authorized by the head of the disseminating agency, even though such person or agency may have been solely or partly responsible for its production.

Executive Order 10501, Becember 15, 1953, 18 Fed. Reg. 7049:

Safeguarding Official Information in the Interests of the Defense of the United States

Whereas it is essential that the citizens of the United States be informed concerning the activities of their government; and

Whereas the interests of national defense require the preservation of the ability of the United

States to protect and defend itself against all hostile or destructive action by covert or overt means, including espionage as well as military action; and

WHEREAS it is essential that certain official information affecting the national defense be protected uniformly against unauthorized disclosure:

Now Therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States, and deeming such action necessary in the best interests of the national security, it is hereby ordered as follows:

7(b) Dissemination Outside the Executive Branch. Classified defense information shall not be disseminated outside the executive branch except under conditions and through channels authorized by the head of the disseminating department or agency, even though the person or agency to which dissemination of such information is proposed to be made may have been solely or partly responsible for its production.

STATEMENT

In this suit, the petitioner sought a judicial declaration that an order of the Secretary of the Navy excluding petitioner from the plant of his employer, Engineering and Research Corporation, was invalid as in excess of the constitutional and statutory powers of the Secretary. He also sought to restrain the respondents from taking any action in pursuance of the order. (R., p. 8). The jurisdiction of the District Court was invoked under its general jurisdiction, and under the Administrative Procedure Act, 60 Stat. 243, 5 U.S.C., § 1009. (R., p. 1)

Prior to the issuance of the order complained of, William L. Greene was vice-president in charge of

engineering and general manager of Engineering and Research Corporation, a private business enterprise engaged in building electronic flight simulators under contracts with the Navy. He had been employed by ERCO for seventeen years.¹

The order which the suit challenged was contained in the following letter, dated April 17, 1953, from the Secretary to petitioner's employer:

I have reviewed the case history file on William Lewis Greene and have concluded that his con-

¹ During these seventeen years, on the basis of a distinguished record of achievement, Greene had risen from junior engineer to general manager of the company.

After his graduation from the Guggenheim School of Aeronautics, of New York University (R., p. 571), Greene began a career with ERCO which, except for a brief leave of absence, continued until Anderson caused his discharge. (R., p. 570). During the latter part of World War II, he became chief engineer of the company's propeller division; in 1948, chief engineer; (R., pp. 570, 571) and in 1951, vice-president in charge of engineering. Shortly thereafter, he was made general manager. (R., p. 571). This steady advance attests the competence and reliability described by Colonel Henry A. Berliner, chairman of the board of ERCO, who said, (R., p. 341) "... He was the best of the younger men we had there."

This evaluation was confirmed by the testimony of General Gabriel P. Disosway, then Director of Training for the Air Force; (R., p. 105) Admiral T. A. Solberg, retired chief of the Office of Naval Research; (R., pp. 102, 103) and Colonel John C. Robertson, chief of the Training Aids Division of the Air Force. (R., p. 90).

The importance of two contributions to defense, the development of the Navy rocket launcher used in World War II, and the development of the electronic flight simulator, described in detail by Colonel Berliner, (R., pp. 342-344), demonstrates the validity of the conclusion of the Court of Appeals, (infra, p. 21a) which observed, "As we have recognized, the reality of the injury suffered by Greene—whether or not deserved—is perfectly clear. So, too, is the risk which the United States must take in denying itself the benefit of the services of a man apparently so proficient in the science of modern warfare."

tinued access to Navy classified information is inconsistent with the best interests of National security.

In accordance with paragraph 4. e. of the Industrial Security Manual for Safeguarding Classified Security Information, therefore, you are requested to exclude William Lewis Greene from any part of your plants, factories or sites at which classified Navy projects are being carried out and to bar him access to all Navy classified security information.

In addition, I am referring this case to the Secretary of Defense recommending that the Industrial Employment Review Board's decision of 29 January 1952 be overruled.

No notice to Greene preceded the sending of this letter; no opportunity was afforded him to reply to the unstated reasons for the action. In fact, Anderson refused even to discuss the action with the employer. (R., p. 202).

This letter compelled the company to discharge Greene, though not without protest by his employer, (R., p. 201), and not finally until it had no alternative. (R., p. 579). The necessity for Greene's discharge arose from his inability to perform his duties as general manager without access to the work in the plant; the company's inability to segregate Navy work because of the physical arrangement of its plant; and the Navy's position as the company's principal customer and source of financing. (R., p. 571). In addition, the regulations required that Greene as an officer of the company have security clearance. Colonel Berliner's affidavit (R., p. 570) states, "There was no other reason for Mr. Greene's discharge, and in the

² 32 C.F.R. § 72.8 (1955), § 72.2-107 (Supp., 1956).

absence of the letter referred to, he could have continued in the employment of Engineering and Research Corporation indefinitely."

The Anderson order reversed four previous determinations favorable to Greene. On August 9, 1949, Greene had been given a "confidential" clearance by the Army; (R., p. 65); on November 9, 1949, a "top secret" clearance by the Assistant Chief of Staff G-2, Military District of Washington; on February 3, 1950, a "top secret" clearance by the Air Materiel Command. R., p. 65, Stipulation of Facts, I 3).

In November, 1951, two years after his first clearance by the Army for "top secret," Greene's clearance was challenged by the Army-Navy-Air Force Personnel Security Board, which, in accordance with the regulations as they then existed, furnished him with a "statement of charges" to which Greene replied in writing and in person.³

At the conclusion of these proceedings, Greene's clearance was restored and remained in force until the letter was sent by Anderson. The theory under which Anderson asserted the right to over-rule the

The charges contained in the statement upon which these proceedings were based were: "That over a period of years, 1943-1947, at or near Washington, D.C., you have closely and sympathetically associated with persons who are reported to be or to have been members of the Communist Party; that during the period 1944-47 you entertained and were visited at your home by military representatives of the Russian Embassy, Washington, D.C.; that, further, you attended social functions during the period 1944-1947 at the Russian Embassy, Washington, D.C.; and on 7 April 1947 attended the Southern Conference for Human Welfare, Third Annual Dinner, Statler Hotel, Washington, D.C. (Cited as Communist Front organization, Congressional Committee on Un-American Activities.)" (R., pp. 78, 79).

decision of the previous board, without any notice or opportunity for Greene to reply, was summarized by the respondents in their brief in the Court of Appeals (Appellees Brief, p. 27), in the following language:

The Secretary's letter of April 17, 1953, was written during an interim period after the abolishment of the Army-Navy-Air Force Personnel Security Boards and the establishment of the new Regional Industrial Personnel and Facility Clearance Program, during which time the sole authority and responsibility for protecting the integrity of classified Navy Department information was vested in the Secretary of the Navy. During this period, the Secretary of Defense, in his memorandum of March 27, 1953 (J.A. 198) authorized the three Secretaries of the Army, Navy, and Air Force to make all necessary security determinations. From March 27, 1953 until May 4, 1953 no formal industrial personnel clearance program was in effect and there existed no administrative machinery for notice, service of charges, hearing or review.

Subsequently, regulations were adopted by the secretaries of the three defense services. In response to Greene's continued demands, a statement of reasons was furnished to him by the Eastern Industrial Personnel Security Board, and Greene was permitted

⁴ The text of these regulations was included as an exhibit to the complaint, and is set forth in the Record, at p. 9 et seq.

⁵ The statement of reasons is set forth in full in the Record, pp. 32-34. It may be summarized by saying that it alleges no occurrence after 1947, and, with the single exception of a claim that Greene owned stock and was a director of Radio Station WQQW (now Radio Station WGMS), it had no reference to any matter which was not fully explored in the proceedings before the Army-Navy-Air Force Board.

to testify and to produce witnesses whose evidence completely refuted the significance of the matters set forth in the statement of reasons.

More than a year after the Anderson letter, the Eastern Industrial Personnel Security Board "affirmed" Anderson's decision, and this suit was thereafter instituted.

The complaint (R., pp. 1-8) challenged the action of Anderson and that of the Eastern Industrial Personnel Security Board as unwarranted by any facts, as lacking statutory authority, and as violating the constitution. Following the filing of an answer, a stipulation of facts was entered into and cross-motions for summary judgment were filed.

The trial Court overruled the petitioner's motion for summary judgment and sustained that of the respondents, holding that the acts of the respondents were authorized as security measures, and had, therefore, invaded no legal right of the petitioner. An appeal to the Court of Appeals followed, and the judgment of the trial Court was affirmed.

The respondents in effect concede that the open record justifies this conclusion. In their brief in the Court of Appeals, they said (p. 29), "And since the entire record considered by appellees included confidential information which neither appellant nor this Court is in a position to weigh, it is clear that appellant's charge that the findings themselves are not supported by the open record is immaterial:"

REASONS FOR GRANTING THE WRIT

I. The Existence of Unlimited Power By Any Governmental Official to Deprive a Citizen of Present Private Employment, Prevent Him From Obtaining Other Employment, and Impose Upon Him a Designation of Disloyalty Presents a Novel Question Important to the Constitutional Rights of Citizens Which Has Not Been, But Should Be, Determined by This Court.

The order of the Secretary of the Navy of which this suit complains had three direct effects upon the petitioner and his livelihood: it caused him to lose the employment which he had had for seventeen years; it effectively prevented him from obtaining other employment in his chosen profession as an aeronautical engineer; and it exposed him to a status of public ridicule and seorn. The respondents have consistently asserted an unlimited authority to do these things to petitioner or to any one else whose employer is engaged in defense procurement contracts.

The decision of the Court below upheld the existence of such an unlimited authority on the part of the respondents by holding that none of these invaded any legally protected right of the petitioner. The gist of its decision is in the following language which it quoted with approval from the war-time case of Von Knorr v. Miles, 60 F. Supp. 962, 971 (D. Mass., 1943):

No matter what evidence might be offered by counsel for the government or counsel for the individual, the government would remain legally free to disregard the testimony and rely upon its uncorroborated suspicions. Since in this highly exceptional case, because of its vital interest in war materials and war secrets during war time the

⁷ The Court below conceded that these three distinct injuries to the petitioner had been demonstrated by the record. (*Infra*, pp. 20a, 21a).

government's exclusionary powers are complete, it can refuse admittance to defense plants without giving an explanation, without listening to a protest and without the semblance of a trial.

Has such an unlimited and unrestricted authority been granted to the respondents by Congress? Assuming, arguendo, that Congress has attempted to grant such power, would the existence of such total governmental control over the lives and livelihood of citizens be tolerable under the due process clause of the Fifth Amendment? The petitioner asserts that each of these questions must be answered in the negative, "For the very idea that one man may be compelled to hold his life, or the means of living, or any material right essential to the enjoyment of life, at the mere will of another, seems to be intolerable in any country where freedom prevails, as being the essence of slavery itself." Yick Wo y. Hopkins, 118 U.S. 356, 370.

That the right of the individual to contract for his labor, free from arbitrary governmental interference, is included in the liberty and property protected by the due process clause is a principle to which this Court has adhered in an unbroken line of decisions, beginning with Butchers' Union Slaughterhouse and Livestock Co. v. Crescent City Livestock Landing and Slaughterhouse Co., 111 U.S. 746, in which it was expressed in the concurring opinion of Mr. Justice Fields in the

⁸ The war power is, under proper circumstances, an extremely broad one, and the respondents claim that the power to deny clearances is derived from the war power. But this Court has noted its re-affirmation of the principle that all powers of Congress, including the war power, are limited by the due process requirements of the Fifth Amendment. Galvan v. Press, 347 U.S. 522, 530; Hamilton v. Kentucky Distilleries, 251 U.S. 146, 155.

following language, "The right to pursue [a chosen - 6 occupation] without let, or hindrance, except that which is applied to all persons of the same age, sex, and condition, is a distinguishing privilege of citizens of the United States, and an essential element of that freedom which they claim as their birth-right." 111 U.S., at p. 757. Cummings v. Missouri, 4 Wall, 2, 277; Ex parte Garland, 4 Wall., 333; Yick Wo v. Hopkins, 118 U.S. 356; Coppage v. Kansas, 236 U.S. 1; Truax v. Raich, 239 U.S. 33; Adkins v. Children's Hospital, 261 U.S. 525; Meyer v. Nebraska, 262 U.S. 390. The principle that the right of employment will be protected against arbitrary interference by the government is fundamental and vital. "It requires no argument to show that the right to work for a living in the common occupations of the community is of the very essence of the personal freedom and opportunity that it was the purpose of the [Fourteenth] Amendment to secure." Truax v. Raich, 239 U.S. 33, 41.

The Court of Appeals recognized that petitioner's discharge resulted from Anderson's order. (Infra, pp. 20a, 21a). Notwithstanding the clearly demonstrated injury to the plaintiff's constitutionally protected right, the Court below denied the existence of a justiciable controversy. Cf. United States v. Lovett, 328 U.S. 303, 314. The error of the Court below is the consequence of its failure to recognize that the verbalisms under which the result is accomplished can not in fact and in logic alter the reality of the interference with the freedom of the petitioner to make contracts with other citizens with reference to his labor. Whether the interference is or is not in excess of the statutory powers of the Secretary; whether the reasons asserted in support of the order and the regulations are or are

not valid; whether the procedures followed do or do not satisfy constitutional requirements are issues which must of necessity be decided by the Courts.

The Court of Appeals necessarily premised its decision on the assumption that access to classified material can arbitrarily be denied, even though this results in the loss of petitioner's employment and deprives him of other opportunities for employment. This reasoning ignores the fact that such access is granted as a matter of course to others. "... the Department of Defense will assume, unless information to the contrary is received, that all contractors and contractor employees are loyal to the Government of the United Regulations, R., p. 54. An administrative official may not arbitrarily deny one citizen what is generally granted to other citizens. This Court has only recently re-affirmed its adherence to the requirement that all be treated fairly in matters of engaging in lawful occupations. In Schware v. Board of Bar Examiners, 353 U.S. 232, 239, this Court held that the fact that the practice of law is an occupation in which regulations to insure moral and professional qualification are necessary does not create unlimited power to deny admission to practice. It said, "We need not enter into a discussion whether the practice of law is a'right' or a 'privilege'. Regardless of how the State's grant of permission to engage in this occupation is characterized, it is sufficient to say that a person cannot be prevented from practicing except for valid reasons." See also, Wieman v. Updegraff, 344 U.S. 183, 191, 192; Slochower v. Board of Education, 350 U.S. 551, 559.

Two problems are presented by the petitioner's claim for relief: the existence of statutory authority

for the Secretary's action; and the extent to which such statutory authority, if it exists, is limited by the due process clause.

The Court of Appeals attempted to find statutory authority for the Secretary's order in the Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C. (1952 ed.), § 153. (Infra, p. 12a) This statute authorizes the head of an agency to adopt a contract of "any type which in the opinion of the agency head will promote the best interests of the Government. * * * "" The interpretation of this statute by the Court of Appeals as a grant of unlimited authority to the defense departments to control employment of workers in private business enterprises is inconsistent with the principles re-iterated by this Court in Kent v. Dulles, (decided June 16, 1957) 26 U.S. Law Week, 4413, 4416, where the Court said:

And, as we have seen, the right of exit is a personal right included within the word "liberty" as used in the Fifth Amendment. If that liberty is to be regulated, it must be pursuant to the lawmaking functions of the Congress. Youngstown Sheet & Tube Co. v. Sawyer, supra [343 U.S. 579]. And if the power is to be delegated, the standards must be adequate to pass scrutiny by the accepted tests. See, Panama Refining Co. v. Ryan, 293 U.S. 388, 420-430. Cf. Cantwell v. Connecticut, .310 U.S. 296, 307; Niemotko v. Maryland, 340 U.S. 268, 271. Where activities or enjoyment, natural and often necessary to the well-being of an American citizen, such as travel, are involved; we will construe narrowly all delegated powers that curtail or dilute them. See Ex parte Endo, 323 U.S. 283, 301-302; Cf. Hannegan v. Esquire, 327 U.S. 146, 156; United States v. Rumely, 345 U.S. 41, 46. We hesitate to find in this broad generalized power authority to trench so heavily on the rights of the citizen.

The right to travel abroad is an important one. But can it be said to be more necessary to the well-being of a citizen than the right of one trained as an aeronautical engineer and fitted by long and distinguished experience to retain or find employment with private business enterprises engaged in that field? or to be protected against the imposition of "badges of infamy" by a government official, high or petty? And where access to government information is generally granted to citizens, and is essential to employment in private industry, can it be said that a citizen does not have a constitutionally protected right to be treated fairly and not denied such access without a valid reason?

The importance of these questions can scarcely be denied. Obviously, the denial of the clearance and the authority or lack of authority of the Secretary to take that action is a matter of over-whelming importance to the petitioner. He has lost the employment which he gained by seventeen years of loyal and distinguished service. (Supra, p. 6). He has found it impossible to obtain other employment in the field of æronoutical engineering. (R., p. 572). Officials of the government have inflicted upon him a "badge of infamy." Wieman v. Updegraff, 344 U.S. 183, 191.

⁹ Greene's experience in seeking other employment has been general with all who have suffered disqualification on the basis of security. The denial of clearance to all practical purposes forecloses the possibility of employment in the aircraft industry. "Industry Goal: Simple Employee Loyalty Check," Nation's Business, December, 1955, p. 40; See also, Berle, The 20th Century Capitalist Revolution, (1954), pp. 92, 93.

Nor is the government without a substantial stake in the injuries inflicted under the guise of security. As the Court below noted, (infra, p. 22a), the risk to the government itself inherent in refusing the services of the petitioner's skill in the science of war.

Another vital interest gravely affected by the action of the Secretary was that of Engineering and Research Corporation, which was deprived of the valued services of a key employee. The question of whether the Secretary can thus deprive a business of the services of its employees is vital, especially to small businesses. Though we assume that a department secretary will act in good faith, the potential of damage to business enterprises through such interferences with their employees is tremendous.

More significant in evoking the exercise of this Court's jurisdiction than these individual considerations is the fact that if the Secretary possesses the unlimited authority he claimed and exercised against Greene, every employee of every business enterprise which contracts with the defense departments is subject to governmental control. Accurate estimates of the number of people whose lives are subject to this governmental control are difficult, if not impossible. The Commission of Government Security estimated that the Industrial Security Regulations apply to 22,000 private business establishments and their three million

¹⁰ The effect of depriving a small business of its key personnel may, in many instances, be of great seriousness to its operations. The record leaves no doubt that Greene was the key man of ERCO. The extent to which the loss of Greene's services contributed to that result is problematical, but the fact is that ERCO has ceased to exist as an independent business enterprise. The Washington Post, November 11, 1954, p. 21.

employees." This case itself demonstrates that not only are the thoughts, friends, activities, and associations of the employee examined under the Industrial Security regulations, that scrutiny extends as well to those of his relatives or former relatives by marriage. It would not be unreasonable to suppose that the lives of some ten million people are included within the sweep of governmental supervision under the Induse trial Security program alone. Since in addition to its coverage of industrial plants, the regulations are also applied to the faculties of colleges and universities engaged in research12 for the Department of Defense, the effect of the program upon academic freedom and inevitably upon the educational system is a matter of sober concern for the future, as well as the present, well-being our society.

Beyond these considerations is the need for protection of a priceless constitutional right, integral to the American way of life. Most citizens cannot in fact enjoy the benefits of the rights and privileges afforded them by the Constitution until they have first exercised the right to earn a livelihood at one of the common occupations of mankind in order to secure the means of travel, reading, thought, and association which are included within the scope of constitutionally protected rights. Can this most fundamental right be destroyed on the basis of rumor and hearsay, the source and content of which is not even known to the em-

¹¹ Report of the Commission on Government Security (1957), p. 235.

¹² Ibid., p. 237.

ployee?¹³ and which he therefore cannot refute? As the Court in *Parker* v. *Lester* (CA 9, 1955), 227 F. 2d 708, 721, said in holding that proceedings substantially similar to the Industrial Security proceedings offended the due process clause:¹⁴

But the time has not come when we have to abandon a system of liberty for one modeled on that of the Communists. Such a system was not that ordained by the framers of our Constitution. It is the latter we are sworn to uphold.

The absolute and unlimited control of private employment approved by the Court below is wholly irreconcilable with the protection of the right of employment by the provisions of the due process clause. The freedom of employment from arbitrary interference which has been consistently sustained by this Court can not exist alongside the Industrial Security regulations. Any decision that the latter are to prevail is a matter of transcendental importance which should be made by this Court alone.

¹³ The government stipulated in this case that matters of which Greene had no knowledge served, in part at least, as the basis of the adverse decision against him. The stipulation states, "In making its decision, the Eastern Industrial Personnel Security Board took into consideration the whole file of the case which includes information, neither the content, nor source of which has been revealed to plaintiff." R., pp. 67, 68, Stipulation of Facts, ¶ 23.

¹⁴ As is pointed out, infra, pp. 20-22, Parker v. Lester is in direct conflict with the holding of the Court below on the issue of the existence of a justiciable controversy. Since the Court below held that no such justiciable controversy existed, it did not reach the issue of the constitutional validity of the procedures utilized in the Industrial Security program and in the Port Security program. Consequently, its observations that the Industrial Security program afforded procedural due process are dicta. However, these dicta (infra, pp. 15a-20a) are in diametrical disagreement with the ruling of the Court in Parker v. Lester.

II. The Decision of the Court Below is in Conflict, With Respect to an Important Constitutional Issue, With Parker v. Lester, 227 F. 2d 708 (CA 9, 1955).

The decision of the Court below denied petitioner relief against the invalid order of the Secretary of the Navy, basing that denial on its conclusion that the case did not present a justiciable controversy. The essence of the decision is contained in the following language (infra, p. 21a):

The reality of the injury, however, does not mean that Greene is entitled without more, to judicial relief. There must be a justiciable controversy—one which the courts can finally and effectively decide, under tests and standards which they can soundly administer within their special field of competence. Here there is no such controversy.

This conclusion, of course, means that the claim that the Secretary has acted in excess of his authority cannot be challenged, despite the admitted injury to the petitioner, and raises inherent doubts as to the correctness of the decision. Cf. United States v. Lovett, 328 U.S. 303, 314. It is squarely in conflict with the decision of the Court of Appeals for the Ninth Circuit in Parker v. Lester, 227 F. 2d 708, in which that Court granted injunctive and declaratory relief to seamen who sought to enjoin the operation of the Port Security regulations adopted under the authority of the Magnuson Act. 64 Stat. 427, 1038, 50 U.S.C., §§ 191, 192, 194. The regulations which the Court there held invalid are substantially similar to the Industrial Security regulations which are challenged in the present case.

The conflict between the decisions is evident. In each case, the relief sought was judicial declaration of the invalidity of an administrative order which, in

practical effect, at least, deprived the complainants of private employment, and an injunction against the enforcement of the challenged order.15 (Cf., R., p. 8, with 227 F. 2d at p. 710). The right sought to be protected was in each case that of the employee of a private business enterprise to contract with respect to his labor without arbitrary interference by government officials. (Cf., R., p. 3, with 227 F. 2d at p. 714). The grounds upon which the orders were challenged were, in each case, that the regulations were not authorized by statute, (Cf., R., p. 4 with 227 F. 2d at p. 710), and that the regulations, both as promulgated and as administered, have operated to deprive the plaintiffs of their liberty and property without due process of law. (Cf., R., pp. 1-8, II 9, 16, with 227 F. 2d at p. 710). In each of the cases, the claimed justification for the orders was the demand of national security considerations. 16 The Court of Appeals for the Ninth Circuit held the controversy to be justiciable and granted the plaintiffs in Parker v. Lester relief. while the Court below denied petitioner any relief. asserting that there was no justiciable controversy.

This square conflict in the result cannot be resolved on the basis of any supposed difference in the opera-

¹⁵ It should be pointed out that the Port Security regulations do, in terms, deny employment in the Merchant Marine if clearance is refused, whereas, the Industrial Regulations on their face do not compel the denial of employment. However, as has been shown (supra, pp. 7, 8, 16) the denial of access to classified material bars the person affected, for all practical purposes, from employment in the aircraft industry.

The constitutional power upon which the respondents in the present case must rely is the war power. The Magnuson Act has, perhaps, a broader constitutional base, since it may be argued that it rests upon the war power and upon the commerce power as well.

tion or sweep of the regulations.¹⁷ The constitutional and practical importance of the conflict has been demonstrated. (supra, pp. 16 to 18). The position of the Court below, founded upon the assumption that the respondents possess absolute and unreviewable power over the employment of private citizens is erroneous, and the question is one which should, in the interests of a clear delineation of the rights of citizens, be resolved by this Court.

CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be granted.

Respectfully submitted,

CARL W. BERUEFFY
1625 Eye Street, N. W.
Washington, D. C.
Attorney for Petitioner

The Court of Appeals tacitly rejected this attempted distinction, since it asserted (infra, p. 15a) that the difference is to be found in the fact that the Port Security regulations affect all employees in the Merchant Marine. The theory of the Port Security regulations is that the danger from maritime workers arises from their opportunities to commit sabotage or to act as espionage couriers. Consequently, it is the access to ships which makes all maritime jobs sensitive. Parker v. Lester, 227 F. 2d 708, 721.

attempted to distinguish Parker v. Lester on the ground that the Port Security regulations forbid the disclosure of all information as to the identity of the informants, whereas, respondents assert, the Industrial Security regulations withhold that information only when required by considerations of national security. The fact is, as this record shows, the respondents withhold all information from the affected employee. There is nothing in the record of this case which indicates any valid reason for refusing to reveal the identity of at least some of the informants, or for refusing to permit their cross-examination.

s [Filed March 29, 1957]

APPENDIX A

Memorandum Opinion of the Trial Court

MEMORANDUM

The plaintiff seeks a mandatory injunction and declaratory judgment directed towards the nullification of a communication dated April 17, 1953 by the then Assistant Secretary of the Navy to his employer, an engineering and research corporation with its principal place of business in Maryland, to the effect that his access to Navy classified security information was inconsistent with the best interests of national security.

First of all, it may be said: "It is a prerequisite to the maintenance of any action for specific relief that the plaintiff claim an invasion of his legal rights, either past or threatened." Larson v. Domestic & Foreign Corp., 337 U.S. 682 at 693. In other words, he must allege conduct that is illegal and "If he does not, he has not stated a cause of action. This is true whether the conduct complained of is sovereign or individual." Id.

The factual picture briefly is this: The plaintiff, as had been indicated, was employed by the corporation referred to above and has been for some years. He was its General Manager and Vice President in charge of engineering, and its main business presumably was Defense Department contracts which involved classified matter. As a condition to and as an integral part of such contracts, his employer agreed early in June of 1951 to, among other things, cooperate with the Government in reference to security controls and the Government, in turn, agreed upon written application by the contractor to specifically designate such of its employees who might have access to matter classified top secret or secret, or "in the case of contracts for furnishing or constructing aircraft, aircraft parts or aero-

nautical accessories, to have access to the plans or specifications or to the work under construction, or to participate in the contract trials, whether such aeronautical contracts are classified or not."

There was also published on or about the same time an Industrial Security Manual, so-called, designed 583 specifically for the safeguarding of classified matter which the contractor agreed to adhere to in relation to security controls, and which Manual defined responsibility with regard to classified material on Government defense contracts. Paragraph 4(e) of the Manual stated:

"The contractor shall exclude (this does not imply the dismissal or separation of any employee) from any part of its plants, factories or sites at which work for any military department is being performed, any person or persons whom the Secretary of the military department concerned or his duly authorized representative, in the interest of security, may designate in writing." [Emphasis supplied.]

Both the contractual agreement and the Industrial Security Manual were in force during the critical period of April 1953 when the communication in question was written and at all times relevant thereafter.

It might be said that the plaintiff originally had clearances for access to classified Department of Defense information and materials. These clearances, however, were revoked on December 5, 1951. This finding was reversed subsequently by the Industrial Employment Review Board and by letter dated January 29, 1952, the plaintiff's employer was so advised. However, in March of 1953 the Army-Navy-Air Force Personnel Security Board and the Industrial Employment Review Board were abolished and there was then established by the various Secretaries of the individual military establishments, jointly, what were designated as Regional and Industrial Personnel Security

Boards, together with so-called Uniform Standards of Operation. It was at this time, upon the abolishment of the Industrial Employment Review Board, and immediately prior to the establishment of the new Boards, that the communication complained of was written in conformity to paragraph 4(e) referred to above.

The plaintiff's employer immediately complied with the request and by letter dated April 24 in that year advised that it had excluded the plaintiff from any part of its plant, factories and sites and barred him access to all security information. As a consequence, the servences of plaintiff were dispensed with.

There is no need to follow the rather tortuous course of events that followed. Sufficient to say that upon request, the plaintiff was furnished with a detailed statement of the reasons which resulted in the revocation of his clearances and which had been previously made known to him by correspondence. None of this post factum activity in relation to the communication, no matter how viewed, fills in the fatal gap so plainly present in the plaintiff's claim. It is fundamental when one presumes to accept a contractual offer then that offer must be accepted in terms, and one of the terms here, as has been said, related to security controls. The necessity for such is obvious. the plaintiff's employer did not see fit to accept and conform, it had perfect freedom not to enter into the contract. On acceptance of the offer in terms, it was obliged in the circumstances to carry outats essentials, the presumed result of which was the loss by the plaintiff of his position. But this cannot be said in any degree to be the fault of the Government, for here, through properly constituted authority, it was exercising its right to protect itself against threats to its survival, and as far as the action of an individual was concerned, this action taken, even envisioning the result to the plaintiff, fails to set forth any invasion of his legal rights and, therefore, as has been

said, there is no justiciable controversy and the Government's motion for summary judgment is granted.

Assuming arguendo he was entitled to hearing and review, he was accorded such and an examination of the extensive and repetitive record fails to show any violation of procedural due process. It should be noted also that the hearings held in the instant case apparently are exempted from the requirements of the Administrative Procedure Act as hearings held "by regulation, rule, custom; or special dispensation; not . . . held by compulsion," Wong Yang Sung v. McGrath, 339 U.S. 33, 50 (1950).

Order accordingly.

/s/ MATTHEW F. McGuire
United States District Judge

March 29, 1957

APPENDIX B

Opinion of the Court of Appeals

586

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 13,978

WILLIAM L. GREENE, Appellant,

V.

NEIL M. McElroy, Secretary of Defense, et al., Appellees.

Appeal from the United States District Court for the District of Columbia

Decided April 17, 1958

Mr. Carl W. Berueffy for appellant.

Mr. Donald B. MacGuineas, Attorney, Department of Justice, with whom Assistant Attorney General Doub and Messrs. Oliver Gasch, United States Attorney, Paul A. Sweeney and Miss Beatrice M. Rosenhain, Attorneys, Department of Justice, were on the brief, for appellees.

Before Wilbu K. Miller, Washington, and Danaher, Circuit Judges.

Washington, Circuit Judge: This case challenges the revocation of a "security clearance" by the Secretary of the Navy. The Secretary's act withdrew from appellant Greene, an employee of a private corporation holding Defense Department contracts, access to classified defense information. The instant appeal seeks reversal of an order of the District Court, 150 F.Supp. 958 (D.D.C. 1957), dismissing appellant's complaint for lack of a justiciable controversy between appellant Greene on the

one hand, and the Secretary of Defense and his subordinate the Secretary of the Navy on the other.

I.

The facts of the case are these: Upon graduation from the Guggenheim School of Aeronautics at New York University in 1937, appellant Greene was hired as a junior engineer by Engineering & Research Corporation (Erco), a manufacturing company. From that time until he was dismissed by the corporation in April 1953, he worked for Erco continuously (save for a short period in 1940 not here relevant). At the time of his dismissal he was Erco's Vice President in charge of Engineering and General Manager at an annual salary of \$18,000 plus bonuses. He then possessed Government clearance for access to "secret" information. His dismissal followed receipt by Erco's President of the following letter dated April 17, 1953, from appellee Secretary of the Navy:

"I have reviewed the case history file on William Lewis Greene and have concluded that his continued access to Navy classified security/information is inconsistent with the best interests of National security.

"In accordance with paragraph 4.e. of the Industrial Security Manual for Safeguarding Classified Security information, therefore, you are requested

Greene was cleared for access to "confidential" information by the Army on August 9, 1949; for "top secret" by the Assistant Chief of Staff, G-2, Military District of Washington on November 9, 1949; for "top secret" by the Air Materiel Command on February 3, 1950; and for "secret" by the Industrial Employment Review Board on January 29, 1952.

² The Industrial Security Manual for Safeguarding Classified Matter was issued by the Department of Defense in January 1951 and subsequently revised. For current edition see 2 Gov't Sec. & Loy. Rep. 25:95 (Feb. 1957). The Manual is incorporated by

588 to exclude William Lewis Greene from any part of your plants, factories or sites at which classified Navy projects are being carried out and to bar him access to all Navy classified security information.

"In addition, I am referring this case to the Secretary of Defense recommending that the Industrial Employment Review Board's decision of 29 January 1952 be overruled."

One week later the President of Erco, acting pursuant to the security agreement which Erco had executed, replied to the Secretary, in part:

"In accordance with your request, please be advised that since receipt of your letter this company has excluded Mr. Greene from any part of our plants, factories or sites and barred him access to all classified security information."

reference in the Department of Defense Security Agreement (DD Form 441) which must be executed by all defense contractors who wish to secure facility security clearance. Paragraph 4(e) of the Manual (now par. 5(c)) provided:

"e. The Contractor shall exclude (this does not imply the dismissal or separation of any employee) from any part of its plants, factories, or sites at which work for any military department is being performed, any person or persons whom the Secretary of the military department concerned or his duly authorized representative, in the interest of security, may designate in writing."

³ It was stipulated between the parties that "Under date of June 5, 1951, the United States, acting through the Navy Department, entered into a security agreement with Engineering and Research Corporation... During April, 1953, the Navy Department and Engineering and Research Corporation were parties to classified procurement contracts... All of such classified procurement contracts incorporated by reference the aforesaid Industrial Security Manual, including Paragraph 4e thereof."

corded, extensive administrative hearings, the details of which need not be recounted here. At these hearings appellant was given a thirteen count specification of the reasons for the revocation of his clearance. The Government put on no witnesses, nor did it disclose the investigative reports on which the specifications were based Appellant took the stand, and presented a number of witnesses. He was finally advised, as of May 28, 1954, that "the granting of clearance to you for access to classified information is not clearly consistent with the interests of national security."

In August 1954 appellant filed this action in the District Court seeking a judgment (1) declaring "illegal, null, void and of no effect . . . the acts of the defendant [Secretary of the Navy] Anderson and all acts of the defendants in pursuance thereof, in advising plaintiff's employer that plaintiff could not be employed," and (2) ordering the appellees "to advise the plaintiff's employer, Engineering and Research Corporation, that the letter of April 25 [171] signed by . . . Anderson . . . is illegal, null, void, and of no effect."

In February 1955—before Greene's lawsuit had come to issue—the Department of Defense issued its Industrial Personnel Security Review Regulation, Department of Defense Directive 5220.6, 20 Fed. Reg. 1553 (1955), superseding the joint directive under which Greene's clearance had been revoked. The new directive, inter alia, established revised procedures for screening industrial personnel, and the Board set up thereunder was given authority to review prior decisions of regional boards "on the grounds of newly discovered evidence or for other good cause shown." The standard under the new regula-

⁴ DOD Directive 5220.6, par. 24.a, 32 C.F.R. § 67.5-2(a) (Supp. 1957).

tion remained that "clearance shall be denied or re590 voked if it is determined, on the basis of all the available information, that access to classified information
by the person concerned is not clearly consistent with the
interests of the national security." At Greene's request
the new Board undertook to reexamine his case. After
submission of further briefs, the Director, Office of Industrial Personnel Security Review, notified appellant's attorney on March 12, 1956, that the Review Board had affirmed
the May 1954 decision.

After this adverse decision the case in the District Court proceeded to trial. A stipulation of facts was entered. Both parties moved for summary judgment; the Government also moved to dismiss. It was admitted that appellant had exhausted his administrative remedies. The District Court denied appellant's motion and granted appellees' motions in a memorandum opinion. The Court held, relying on paragraph 4.e. of the Industrial Security Manual, see note 2, supra, that there was no justiciable controversy:

"It is fundamental when one presumes to accept a contractual offer then that offer must be accepted in terms, and one of the terms here, as has been said, related to security controls. The necessity for such is obvious. If the plaintiff's employer did not see fit to accept and conform, it had perfect freedom not to enter into the contract. On acceptance of the offer in terms, it was obliged in the circumstances to carry out its essentials, the presumed result of which was the loss by the plaintiff of his position. But this cannot be said in any degree to be the fault of the Government, for here, through properly constituted authority, it was exercising its right to protect itself against threats to its survival, and as far

⁵ DOD Directive 5220.6, par. 12, 32 C.F.R. § 67.3-1 (Supp. 1957).

as the action of an individual was concerned, this action taken, even envisioning the result to the plaintiff, fails to set forth any invasion of his legal rights 591 and, therefore, as has been said, there is no justiciable controversy and the Government's motion for summary judgment is granted.

"Assuming arguendo he was entitled to hearing and review, he was accorded such and an examination of the extensive and repetitive record fails to show any violation of procedural due process. It should be noted also that the hearings held in the instant case apparently are exempted from the requirements of the Administrative Procedure Act, 5 U.S.C.A. § 1001 et seq., as hearings held 'by regulation, rule, custom, or special dispensation; not.... held by compulsion.' Wong Yang Sung v. McGrath, 1950, 339 U.S. 33, 50, 70 S.Ct. 445, 454, 94 L.Ed. 616." 150 F.Supp. 958, 959-60 (D.D.C. 1957).

This appeal followed.

It should be noted at the outset that Greene does not here contend that the officials of the Department of Defense have failed to comply with the relevant provisions of the various industrial security regulations under which they proceeded against him. To that significant extent at least, this case differs from Peters v. Hobby, 349 U.S. 331 (1950); Service v. Dulles, 354 U.S. 363 (1957); and Cole v. Young, 351 U.S. 536 (1956). In each of those cases the issue treated by the Court was the compliance vel non by executive officers with applicable statutes or regulations. And in each of those cases the Supreme Court found lack of compliance. See also Stewart v. Dulles, — U.S.App.D.C. —, 248 F. 2d 602 (1957); cf. Vitarelli v. Seaton, — U.S.App.D.C. —, — F. 2d - (1958). It should further be noted that appellant does not claim that the contracts on which he seeks to work are not validly labelled "classified."

The relief Greene seeks is a declaration that he was barred from access to classified material in a manner which violates the Constitution. He seeks further a court order restoring him to status quo ante: i.e., an order which will make it possible for Erco to rehire him. Thus in es-

sence, he seeks to compel the Government to disclose its classified defense information to a person—himself—whom the Secretary of Defense considers unworthy of such access.

II.

We consider first Greene's contention that the Secretary lacked power to take the action here challenged. He does not argue that the executive lacks all power—inherent or statutory—to classify certain defense information. Nor does he suggest that the subject matter of the Erco contracts was not properly labelled "secret." Rather he argues that the Secretary possesses only limited powers—powers circumscribed by the Fifth Amendment—to decide who shall have access to that classified material.

The Government contends that it possesses statutory authority to restrict access to classified defense information, stemming from Rev.Stat. § 161 (1875), 5 U.S.C. § 22 (1952), which provides:

"The head of each department is authorized to prescribe regulations, not inconsistent with law, for the government of his department, the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preserva-

of the Secretary to withhold classified defense information. We are not, at this point, discussing the withholding from Greene of the reports of informants and Federal Bureau of Investigation reports in the proceedings in which Greene challenged the revocation of his clearance.

tion of the records, papers, and property appertaining to it."

Additionally, the Government relies on the Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C. §§ 151-61 (1952), which provides, in part:

- "§ 151.(c) All purchases and contracts for supplies and services shall be made by advertising, as pro-593 vided in section 152 of this title, except that such purchases and contracts may be negotiated by the agency head without advertising if—
 - "(1) determined to be necessary in the public interest during the period of a national emergency declared by the President or by the Congress;
 - "(12) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed;
 - "§ 153... contracts negotiated pursuant to section 151(c) of this title may be of any type which in the opinion of the agency head will promote the best interests of the Government..."

In this latter statute Congress gave to the Defense Department power—during an emergency—to purchase its supplies by means of negotiated contracts, rather than through public, competitive bids. And it seems to us that Congress specifically gave to the Secretary of Defense broad discretion to determine in what manner the

⁷ A state of national emergency was declared by the President on December 16, 1950. Proclamation No. 2914, 15 Feb. Reg. 9029. This proclamation was in effect during all of the administrative proceedings in this case.

"character, ingredients, or components" covered by the contract should be safeguarded from disclosure. We think that the Procurement Act permits the Secretary of Defense to classify defense information for purposes like the present one. Thus we need not determine whether the "housekeeping" statute, 5 U.S.C. § 22 (1952), is an independent source of executive authority for withholding defense or other types of executive information.

Furthermore, Executive orders specifically direct department heads to make appropriate provision for safe-guarding classified defense information in accord with the congressional authorization of the department by head to enter into negotiated contracts. Executive Order No. 10501, and its predecessor Executive Order No. 10290, in their full terms, provide an adequate guide to the Secretary for protecting certain defense information from the risk of improper disclosure during industrial operations, and for enabling him to determine when "the character, ingredients, or components... should not

Further, we think that the Secretary has, and of necessity must have, wide latitude in designating persons qualified for access to classified defense information in

be publicly disclosed,

⁸ See, for example, Executive Order No. 10290, 16 Feb. Reg. 9795, 9799 (1951), which provides:

[&]quot;30. ● ● ●

[&]quot;b. Outside the Executive Branch. Classified security information shall not be disseminated outside the Executive Branch by any person or agency having access thereto or knowledge thereof except under conditions and through channels authorized by the head of the disseminating agency, even though such person or agency may have been solely or partly responsible for its production."

See also Executive Order No. 10501, 18 Feb. Rec. 7049 (1953) at Section 7(b).

situations like the present—namely, where the problem relates to the selection of persons to be given that information for the purpose of designing or producing for

the Government weapons or other defense materials.

Authority of that sort is a necessary adjunct to the

power and duty to defend the security of the Nation and, in time of national emergency, to enter into negotiated contracts—contracts of "any type which in the opinion of the agency head will promote the best interests of the Government." One of the primary functions of government is to preserve the national existence. In the exercise of that function, the Government has concluded that secret designs and processes for the production of its own weapons must be protected from disclosure to any persons except those negarded as trustworthy.

Since the Secretary has power to label information "secret" and to designate certain persons for access to that information, a fortiori he has power to make regulations to guide himself and his subordinates in such labeling and designation. We are not called upon to decide whether in our view all the regulations he has from time to time promulgated in this field are in every particular or in every possible situation valid and effective. It is enough to say that in our view the general program for industrial security, as reflected in the regulations

⁹ We are not dealing here with the vexed questions of the right of Congress, or the press, or the public, to be informed of defense operations generally, or to inspect particular documents. On this subject, see Mitchell, Government Secrecy in Theory and Practice: "Rules and Regulations" as an Autonomous Screen, 58 Colum. L. Rev. 199 (1958); Wolkinson, Demands of Congressional Committees for Executive Papers, 10 Fed. Bar J. 103, 223, 319 (1949); Bishop, The Executive's Right of Privacy: An Unresolved Constitutional Question, 66 Yale L. J. 477 (1957); 40 Ops. Att's Gen. 45 (1941). See also Hand, The Bill of Rights 17-18 (1958).

¹⁰ See fn. 7, supra.

cited above, 11 does not exceed his authority. We point out in this connection that the regulations are designed to give industrial employees whose trustworthiness is challenged a reasonable measure of information as to the Government's reasons for the challenge, together with an opportunity to make a defense, and to appeal an adverse decision.

III.

Appellant claims that the regulations operate to deprive him of his occupation without due process. But the Government has not here attempted to regulate an entire branch of the working population, regardless of the lack of any direct relationship of the tasks of a particular worker to the requiremnts of the national security, cf. Parker v. Lester, 227 F.2d 708 (9th Cir. 1955); Brown & Fassett, Security Tests for Maritime Workers: Due Process under the Port Security Program, 62 YALE L.J. 1163 (1953). Nor has it sought to exclude Greene from serving the general public in those aspects of his profession not connected with secret Government information. Cf. Schware v. Board of Bar Examiners, 353 U.S. 232 (1957) (involving complete exclusion from law practice, after procedures based on unjustified inferences as to moral character); Konigsberg v. State Bar, 353 U.S. 252 (1957). This is not a case such as Truax v. Raich, 239 U.S. 33 (1915), relied on by appellant, where discriminatory governmental action was taken against a class (there, aliens) in such terms as to affect "the conduct of ordinary private enterprise," id. at 40, and to deny "the right to work for a living in the common occupations of the community," id. at 41. Rather, the Government has here denied Greene access to its military secrets, as contained in its classified documents, under a program having

¹¹ See fns. 2 and 4, supra, and DOD Directive 5220.6, 20 FED. REG. 1553 (1955).

a direct relationship to the requiremnts of the national defense, and not inherently unreasonable in its coverage or procedures.

Greene points to the fact that he was not confronted with his accusers, and that confidential reports were not revealed to him. But, in our view, confrontation with one's acusers is clearly not required in circumstances like the present. It may be noted that in the case of Federal employees Congress long ago provided in the Lloyd-LaFollette Act that "no examination of witnesses nor any trial or hearing shall be required" when dismissals are made under the provisions of that Act. 37 Stat. 555 (1912), as amended, 5 U.S.C. § 652(a) (1952). A limited form of hearing is provided under the Veterans Preference Act of 1944, for those entitled to its benefits.

58 Stat. 390 (1944), as amended, 5 U.S.C. § 863 (1952). And the Loyalty Order of March 21, 1947,

Executive Order No. 9835, 12 Fed.Reg. 1935, granted hearings to employees who sought them in loyalty matters covered by that order. But mandatory confrontation with accusers is unknown, so far as we know, in dismissals of Federal employees, and has been since the beginning of our Government. See Bailey v. Richardson, 86 U.S.App.D.C. 248, 182 F.2d 46 (1950), aff'd by an equally-divided Court, 341 U.S. 918 (1951); cf. Vitarelli v. Seaton, supra. Surely appellant is entitled to no more than is available to civil servants, under existing statutes and existing interpretations of the Constitution.

Much the same must be said of the Government's refusal to disclose to appellant confidential reports of the FBI and other investigative agencies. In certain circumstances, it is true, the courts have penalized the Government for its refusal to disclose information. For example, the courts have said that if the Government brings a criminal prosecution against a person and refuses to disclose certain information necessary for a proper

defense, the Government's prosecution must fail. See Jencks v. United States, 353 U.S. 657 (1957); cf. United States v. Reynolds, 345 U.S. 1 (1953); Totten v. United States, 92 U.S. (2 Otto) 105 (1875). But in none of the instances which we have discovered have courts actually ordered the Government to disclose information contrary to its own wishes. In the present case, the only sanction the courts could employ against the Government for failure to disclose all of the information used against Greene would be declared the revocation of Greene's clearance invalid. If this had any practical effect at all -and courts seldom issue orders which have no practical effect—it would amount to ordering his restoration to access to classified information. This in turn would require the executive to disclose a state secret to Greene or to cancel its contracts with Erco. No court has vet forced

the Government to choose between such alternatives—either of which might compromise the security of the country.¹²

To quote from the observations of Judge Wyzanski in Von Knorr v. Miles, 60 F.Supp. 962 (D. Mass. 1945), a somewhat similar case arising during World War II:

"Two interests are in competition and must be considered: the government's concern to prevent both sabotage and disclosure to the enemy of secret processes, statistics and information; and the private in-

¹² We have not overlooked the decision of the Supreme Court in Harmon v. Brucker, 355 U.S. 579 (1958). The instant case differs from that in many ways. The main difference for present purposes is that Harmon was not seeking to remain in the Army. Rather he was seeking only to have the Army comply with its own discharge authority under applicable statutes and regulations, and issue him an honorable discharge. Here Greene is essentially seeking to revert to his former status with access to classified defense information. Had Harmon sought an order requiring the Secretary of the Army to retain him in military service, an entirely different case would have been presented.

dividual's concern to go where he pleases and engage in such work as is offered him."

After concluding that no constitutional right of the plaintiff Von Knorr had been infringed, Judge 599 Wyzanski went on to say:

"It is hardly necessary to add that these conclusions of law do not imply that this court believes that it is desirable, as distinguished from legal, for a government, no matter how absolute its power may be, to deny a chance for employment to any citizen merely on the basis of suspicion. Military commanders, like other authorities, will no doubt find it possible as well as just in most cases to give an employee

¹³ The following is pertinent, though we need not go so far in the instant case:

[&]quot;Notice, hearing, counsel and the like are admittedly usually appropriate criteria of due process of law. But these guarantees have significance only if in the end the government's right to act turns on an official finding that certain facts exist. Compare Morgan v. United States, 304 U.S. 1, 58 S.Ct. 773, 82 L.Ed. 1129. Where in rare cases such as orders excluding persons from defense plants in war time, the government's right to act is absolute and not dependent upon the facts concerning, or the merits of, any particular case, the formalities of a notice, hearing and counsel are not requisite. Compare United States v. Juy Toy, 198 U.S. 253, 263, 25 S.Ct. 644, 49 L.Ed. 1040. No matter what evidence might be offered by counsel for the government or counsel for the individual, the government would remain legally free to disregard the testimony and rely upon its uncorroborated suspicions. Since in this highly exceptional case, because of its vital interest in war materials and war secrets during war time the government's exclusionary powers are complete, it can refuse admittance to defense plants without giving an explanation, without listening to a protest and without the semblance of a trial." 60 F. Supp. at 971.

notice of the facts which create their suspicion about him and a chance to present his side of the case. Even where power is free of judicial restraint, those who wield it may impose upon themselves self-restraint. And they may accept as canons for their conduct the standards of procedure which in the overwhelming majority of cases are regarded as fundamental to fair play." 60 F. Supp. at 969-71.

Although the First Circuit vacated the District Court judgment, on other grounds, sub nom. Von Knorr v. Griswold, 156 F.2d 287 (1st Cir. 1946), the Court of Appeals, speaking through Judge Magruder, approved the holding quoted above:

"If we are correct in the foregoing, the court below should have dismissed the complaint for lack of. jurisdiction. We recognize that the matter is not so clear as it might be. Therefore we deem it proper to add that if, contrary to our view, the letter of August 13, 1943, should be deemed in legal effect an order of the Secretary of War, disobedience of which 600 would have subjected Cities Service Oil Company to the penalties of the Act of March 21, 1942, then we would agree with the district court that the order, so regarded, violated no constitutional right of the plaintiff. The full and satisfactory discussion of this phase of the case in the opinion of Judge Wyzanski below (D.C., 60 F.Supp. 962) needs no elaboration by us." 156 F.2d at 292.

Our views are substantially similar to those expressed by Judge Wyzanski and Judge Magruder. And what has so far been said is an answer, we think, to Greene's contention that he is being "punished" without due process of law. His argument essentially is that because he once was allowed to see confidential documents he has acquired a "status" which cannot be taken from him without full adversary proceedings, attended with most of the safeguards known to the criminal law. We think this gnores the necessities of the Government, and the public interest in maintaining the security of the Nation. As we have indicated, we find no basis for it in the law.

IV.

We have no doubt that Greene has in fact been injured. He was forced out of a job that paid him \$18,000 per year. He has since been reduced, so far as this record shows, to working as an architectural draftsman at a salary of some \$4,400 per year. Further, as an aeronautical engineer of considerable experience he says (without real contradiction) that he is effectively barred from pursuit of many aspects of his profession, given the current dependence of most phases of the aircraft industry on Defense Department contracts not only for production but for research and development work as well. Thus, it seems unrealistic to say—as does the Government—in its prief—that:

"The Secretary's letter presented ERCO with three choices: (1) it could have continued to employ appellant on any work except that requiring access to Navy classified information; (2) it could have continued appellant's employment and declined to perform Navy classified contracts; or (3) it could have concluded it did not, in the circumstances, choose to continue appellant's employment. That ERCO chose to discharge appellant was its own decision, one neither suggested nor required by appellees."

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As a practical matter—given Greene's position as Vice President and General Manager and given the applicable ndustrial Security regulations—the Government caused

Greene to be dismissed from his job at Erco.¹⁴ The small contractor has no effective choice when that choice is either to continue to do business with the Government or to do virtually no business at all. Nor do we doubt that, following the Government's action, some stigma, in greater or less degree, has attached to Greene.

The reality of the injury, however, does not mean that Greene is entitled, without more, to judicial relief. There must be a "justiciable" controvery—one which the courts can finally and effectively decide, under tests and standards which they can soundly administer within their special field of competence. Here there is no such controversy. As we have seen, Greene makes no claim of lack of compliance by the Government with its own regulations. He attacks the Secretary's decision on its merits and as matter of constitutional right. But for a court to hear de novo the evidence as to Greene's fitness to be assigned to a particular kind of confidential work would be a bootless task, involving judgments remote from the experience and competence of the judiciary. Indeed, any meaningful judgment in such matters must rest on considerations of policy, and decisions as to comparative risks, appropriate only to the executive branch of the Government. It must rest also on a mass of information,

¹⁴ In May 1954, when the revocation of Green's clearance was affirmed, the applicable facility clearance regulations required that all officers and key personnel of a corporation holding classified defense contracts must have clearance. See 32 C.F.R. § 72.8 (1955). This requirement has been carried forward into subsequent revisions of the program. See 32 C.F.R. § 72.2-107 (Supp. 1956); Security Manual for Safeguarding Classified Information, Par. 16, 2 Gov't Sec. & Loy. Rep. 25:111 (1957).

To some extent the Government acknowledges that withdrawal of clearance may mean the firing of the employee. Provision is made for payment of lost earnings to a contractor employee where, after suspension of clearance, the final determination is favorable to the individual concerned. See Industrial Security Review Regulation, 32 C.F.R. § 67.5-4 (Supp. 1957).

much of it secret, not appropriate for judicial appraisal. See Dayton v. Dulles, — (U.S.App.O.C. —, — F.2d — (1957), cert. granted, 355 U.S. 911 (1958); United States v. Curtiss-Wright Export Corp., 299 U.S. 304, 319-22 (1936).

A direct Government employee normally has procedural rights conferred by Congress, which the courts will protect. See cases cited in Vitarelli v. Seaton, supra, at note 1. But even in the case of a Government employee the courts will not inquire into the merits of a dismissal: they will inquire whether required procedures have been observed, or an applicable statute violated, but they will not-for example-attempt to determine whether employee is or is not a "security risk" or is "untrustworthy." Vitarelli v. Seaton, supra, at note 7. No more can the courts examine the merits of Greene's claim that he is trustworthy. In many instances, indeed, such a course would be fruitless: if the official in charge is convinced of a man's unreliability, the entire situation might be such that he could not in conscience permit the contract with the employer to remain in effect.

The personal tragedy revealed by this recital needs no emphasis. As we have recognized, the reality of the injury suffered by Greene—whether or not deserved—is perfectly clear. So, too, is the risk which the United 603 States must take in denying itself the benefit of the services of a man apparently so proficient in the science of modern warfare. A government which is too cautious in such matters may ultimately have few secrets to protect, or able workers to serve it.

In a mature democracy, choices such as this must be made by the executive branch, and not by the judicial. If too many mistakes are made, the electorate will in due time reflect its dissatisfaction with the results achieved. It would be an unwarranted interference with the responsibility which the executive alone should bear, were

the judiciary to undertake to determine for itself whether Greene or any other individual similarly situated is in fact sufficiently trustworthy to be entitled to security clearance for a particular project.

For these reasons, the order of the District Court must be

Affirmed.

APPENDIX C

Judgment of the Court of Appeals

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[Filed April 17, 1958]

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

April Term, 1958

No. 13,978

C. A. 3561-54

WILLIAM L. GREENE, Appellant,

V.

NEIL M. McElroy, Secretary of Defense, et al., Appellees.

Appeal from the United States District Court for the District of Columbia.

Before: Wilbur K. Miller, Washington and Danaher, Circuit Judges.

Judgment

This cause came on to be heard on the record from the United States District Court for the District of Columbia, and was argued by counsel.

On consideration whereof, It is ordered and adjudged by this Court that the order of the said District Court appealed from in this cause be, and the same is hereby, affirmed.

Dated: April 17, 1958

PER CIRCUIT JUDGE WASHINGTON.

SUPREME COURT. U. S.

JAN 20 1959

Office-Supreme Court, U.S.

FILED

IN THE

Supreme Court of the United States

No. 180

WILLIAM L. GREENE, Petitioner

ROBERT B. ANDERSON .

OCTOBER TERM, 1958

v. Neil H. McElroy, Thomas S. Gates, Jr. and

On Writ of Certiorari to the United States Court of Appeals for the District of Columbia Circuit

BRIEF FOR THE PETITIONER

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1958

No. 180

WILLIAM L. GREENE, Petitioner

V.

NEIL H. McElroy, Thomas S. Gates, Jr. and Robert B. Anderson

On Writ of Certiorari to the United States Court of Appeals for the District of Columbia Circuit

BRIEF FOR THE PETITIONER

The opinion of the Court of Appeals (R. 480-496) s reported at 254 F. 2d 944. That of the District Court (R. 476, 477) is reported sub nom., Greene v. Vilson, at 150 F. Supp. 958.

JURISDICTION

The judgment of the Court of Appeals was entered April 17, 1958. (R. 496). The petition for a writ of certiorari was filed July 16, 1958, and was granted October 27, 1958. The jurisdiction of this Court rests upon 28 U.S.C. § 1254(1).

QUESTIONS PRESENTED

- 1. The petitioner, an aeronautical engineer, who was an officer and employee of a private corporation, was denied access to classified information and was excluded from his employer's plant by the Secretary of the Navy. As a necessary consequence, he was discharged from his position. He instituted this-suit, seeking a declaration of the invalidity of the order and injunctive relief against it, alleging that the order was without foundation in fact, was beyond the statutory authority of the Secretary, and was in violation of petitioner's right, under the Fifth Amendment to the Constitution of the United States, not to be deprived of his liberty and property without due process of law. The respondents asserted that they had acted in pursuance of a contract between themselves as representatives of the government and plaintiff's employer, which contract authorized them to designate employees to be denied access to classified information. the suit present a justiciable controversy which the District Court had jurisdiction to entertain?
- 2. Whether the provisions of the Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C., § 153, authorizing defense procurement contracts "of any type which in the opinion of the agency head will promote the best interests of the government," can be

construed to grant Department of Defense officials unlimited discretion to cause the discharge of employees of private business enterprises by denying such employees access to classified information and requiring their exclusion from the plant of a private employer?

- 3. Whether the provisions of the Armed Services Procurement Act of 1947, if so interpreted, are in violation of the due process clause of the Fifth Amendment to the Constitution of the United States?
- 4. Whether the authority of the Defense Department to deny access to classified information and to require exclusion from privately owned plants, if such authority exists, is unlimited, or is so limited that it may be exercised only for valid reasons?
- 5. Whether, if such action is required to be founded upon valid reasons, a statement of reasons which recites only conduct which is neither illegal nor immoral, and all of which occurred at least seven years prior to the issuance of such statement, is sufficient as a basis for such denial?
- 6. Whether the requirements of procedural due process are violated by the Industrial Personnel Security Regulations, which permit denial of access to information necessary for private employment on the basis of an inference by a governmental official of possible future conduct, which inference is supported by a "statement of reasons" based on purported information, the nature and source of which is not revealed to the employee; and which is supplied by persons who are not required to furn h such information under oath, nor to be cross-examined; and which information the affected employee has no real oppor-

tunity to refute or explain, although the regulations place the entire burden of proving innocence upon the employee?

STATUTES AND REGULATIONS INVOLVED

The statutes, executive orders, and regulations considered to be involved in this case are set out verbatim in Appendix A, infra, pp. 1a-18a, and include the following:

Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C., §§ 151, 153.

Revised Statutes, § 161, 5 U.S.C. (1952 edition), § 22, as amended, Public Law 85-619, 72 Stat. 547.

Internal Security Act of 1950, Public Law 831, ch. 1024, Title I, §§ 3, 5; 50 U.S.C. (1952 edition), §§ 782, 784.

Administrative Procedure Act, Act of June 11, 1946, § 5, 60 Stat. 239, § 6, 60 Stat. 241, § 7, 60 Stat. 242, § 10, 60 Stat. 243, 5 U.S.C. (1952 edition), §§ 1005, 1006, 1007, 1009.

Executive Order 10290, September 27, 1951, 16 Fed. Reg. 9795.

Industrial Personnel and Facility Security Clearance Program, OPNAVNOTE 5510, May 4, 1953.

STATEMENT OF THE CASE

The petitioner, William L. Greene, is a resident of the State of Maryland. (R. 1) By profession, he is a trained and experienced aeronautical engineer, a graduate of Guggenheim School of Aeronautics of New York University. (R. 473) Immediately following a graduation from college, he was employed by Engineering and Research Corporation.—He continued, ex-

cept for a four month leave of absence, in the employment of that company until April, 1953. (R. 471).

The progress of his work with ERCO was as follows:

May, 1937, employed as junior engineer. (R. 471) Spring, 1940, four months leave of absence to work for General Motors (R. 185, 186).

11/4/40, project engineer on propellers. (R. 253)

10/1/42, promoted to administrative engineer. (R. 253)

8718/43, promoted to chief engineer of propeller division. (R. 254)

1/1/46, promoted to development engineer. (R. 254)

1948, promoted to chief engineer of company. (R. 472)

1951, elected Vice President in charge of engineering. (R. 472)

late 1952 or early 1953, made general manager. (R. 472).

The history of steady promotions and increasing responsibility indicates Greene's ability, diligence, and loyalty. Direct confirmation of the high regard of his associates was given by Colonel Henry A. Berliner, chairman of the board of ERCO and its principal stockholder, (R. 306) who testified, (R. 313)

felt that he had potential qualities that ultimately he was going up at least to the general managership of the company. He was the best of the younger men we had there. I kept very close tabs on him for that reason; also being and having become a project engineer at a fairly early age that alone made him stand out . . .

During this career at ERCO, in the years 1947 and 1948, Greene also held an instructorship at the Catholic University of America. (R. 190). Earlier, in 1945, he had, under the joint auspices of industry and the Air Force, made a four month trip to Germany to evaluate industrial ideas which had been developed by the Germans. (R. 190)

The high regard of his superiors (Letter of Lester A. Wells, President of ERCO, R. 33) was confirmed by military officers who knew him. (Rear Admiral T. A. Solberg, retired chief of Naval Research, R. 66, 67; Colonel John C. Robertson, Chief of the Training Aids Division of the Air Force, R. 53) Their estimate was shared by his professional colleagues. (Gordon S. Light, R. 272; Edward D. Burgess, R. 332; Herbert L. Stout, R. 336; Norman A. Hubbard, R. 343; Thomas M. Mountjoy, R. 358).

The respect for his professional ability enjoyed by Greene extended to an appreciation of his loyalty and discretion. (Lester A. Wells, R. 33 Light, R. 272; Stout, R. 336; Hubbard, R. 343; Mountjoy, R. 357; Clarence J. Clements, Jr., R. 391). Milton W. King, general counsel for ERCO, who represented Greene in the hearing before the Industrial Personnel Security Board, testified at the second hearing. Mr. King, a former president of the District of Columbia Bar Association (R. 287), testified that he made an "exhaustive examination" for the purpose of deter-

¹ Stout testified: ''It [the suspension of Greene's clearance] had come as a great shock to the personnel in the plant. They just couldn't believe there was any connection whatsoever, from the ones that had had close contact with him and worked with him.''

mining whether, irrespective of the outcome of the proceeding before the Industrial Employment Review Board, ERCO should retain Greene in its employment. His conclusion was that "there was no question about" Greene's loyalty and security. (R. 288, 289)

During the time that Greene was employed by ERCO, the question of his accest to classified information had been considered on several occasions. He was granted such access without question on three such occasions. These clearances were for "confidential" on August 9, 1949, by the Army; for "Top Secret" by the Assistant Chief of Staff G-2, Military District of Washington, on November 9, 1949; and "Top Secret" by the Air Materiel Command on February 3, 1950. (R. 28).

The first challenge to Greene's clearance was made by the Army-Navy-Air Force Personnel Security Board in November, 1951. (R. 31) In accordance with the then existing regulations, Greene requested the opportunity of appearing before the Industrial Employment Review Board. (R. 37) This board supplied him with a generalized statement (R. 37) of the matters which were considered to have a bearing on his clearance for access to classified material. A proceeding in which Greene appeared, testified, and was cross-examined by the board, followed. He also produced witnesses who testified in his behalf.

During this proceeding, all of the matters, with the exception of those contained in paragraphs 5 and 11, which are set forth in the subsequent statement of the Eastern Industrial Personnel Security Board were the subject of extensive inquiry by the board.²

² The statement (R. 9-11) supplied by Eastern Industrial Personnel Security Board is set forth, and the items separately discussed in Appendix B, *infra* pp. 19a-29a.

Following this proceeding, the Industrial Employment Review Board reversed the decision of the

Army-Navy-Air Force Personnel Security Board, and restored Greene's clearance. (Exhibit 7 to Stipulation of Facts, R. 172). The standard for revocation of clearance at the time of these proceedings was "that access by you [Greene] to contract work and information as specified would be inimical to the best interests of the United States. . ." (Exhibit 3 to Stipulation of Facts, R. 34).

On March 27, 1953, the Secretary of Defense

Board, and directed the establishment of regional personnel security boards within thirty days. This memorandum directed that the criteria governing actions by the Industrial Employment Review Board should prevail until the establishment of uniform criteria in accordance with the directions contained in the memorandum. (Exhibit 8 to Stipulation of Facts, R. 173-175).

abolished the Army-Navy-Air Force Personnel Se-

The Eastern Industrial Personnel Security Board was established in compliance with this direction by a joint directive of the Secretaries of the Army, Navy, and Air Force on May 4, 1953.

On April 17, 1953, during the period in which no nachinery for the determination of clearance matters was in existence, although the former criteria had specifically been continued in effect, Robert B. Anderson, then Secretary of the Navy, issued the order which forms the basis of this suit. It was a letter addressed o Engineering and Research Corporation, which reads: (R. 2, 3)

I have reviewed the case history file on William Lewis Greene and have concluded that his continued access to Navy classified information is inconsistent with the best interests of National.

Security.

In accordance with paragraph 4.e of the Industrial Security Manual for Safeguarding Classified Information, therefore, you are requested to exclude William Lewis Greene from any part of your plants, factories or sites at which classified Navy projects are being carried out, and to bar him access to all Navy classified security information.

In addition, I am referring this case to the Secretary of Defense recommending that the Industrial Employment Review Board's decision of 29 January 1952 be overruled. [Emphasis supplied]

Secretary Anderson never gave Greene any direct notice of this action. No opportunity to be heard in connection with this reversal of the previous decision was offered.

The letter of April 17, 1953, was received at Engineering and Research Corporation on April 21, 1953. (R. 472). Under the regulations, Greene could not retain his position as Vice-President and General Manager in the absence of clearance. 32 C.F.R., § 72.2-107 (Supp. 1956). At that time, Mr. Wells, president of ERCO; told Greene that under the circumstances, it would be impossible for him to continue in the company's employment. The reasons given by Mr. Wells were, Greene could not discharge his duties without access to the data relating to projects on which the engineering division was engaged; it was impossible to segregate the Navy work; and the Navy's status as

the company's principal customer made the retention of its goodwill essential, (R. 472). This view was confirmed by Colonel Berliner, who stated in his affidavit, (R. 471):

In April, 1953, the company received a letter from the Secretary of the Navy advising us that clearance had been denied to Mr. Greene and advising us that it would be necessary to bar him from access to our plant. In view of his position with the company, there was no work which he could do in light of this denial of clearance by the Navy. As a result, it was necessary for the company to discharge him. There was no other reason for Mr. Greene's discharge, and in the absence of the letter referred to, he could have continued in the employment of Engineering and Research Corporation indefinitely.

The desire of ERCO to retain Greene in its employment was further shown by Mr. Wells' letter, dated February 25, 1954, in which he said: (R. 473, 474).

As you are aware, we have been holding open of the position of General Manager hoping that your case would be cleared up so that you could return to us in that capacity. * * *

You know, of course, that we feel strongly that we would like to have you back since your seventeen years with the company gives you a big advantage over any outsider that we would have to bring in.

At the time that the letter from Secretary Anderson was received by ERCO, Mr. Wells immediately wrote Secretary Anderson; pointing out that Greene's "knowledge, experience and executive ability have proven of inestimable value in the past. The loss of his services at this time is a serious blow to com-

pany operations. Accordingly, we should like the privilege of a personal conference to discuss the matter further." (R. 176). The reply to this request was, "As far as the Navy Department is concerned, any further discussion on this problem at this time will serve no useful purpose." (R. 177).

Without clearance, Greene was unable to find any other work in his profession of aircraft engineering. (R. 473)

The regulations governing the conduct of the regional Industrial Personnel Security Boards were subsequently adopted and the Eastern board began its operations. On October 13, 1953, in response to Greene's demands for a hearing (R. 29), Assistant Secretary J. H. Smith advised Greene that he had requested the Eastern Industrial Personnel Security Board to accept jurisdiction of the case. (R. 21)

Nineteen days before the hearing (R. 9), Greene received a statement of reasons for the denial of his clearance. These charges related to associations and activities many of which were related to his former marriage to Jean Hinton Greene, which had been terminated by divorce in December, 1947, more than five years before.

Finally, the proceedings of the Lastern Industrial Personnel Security Board were held April 28-30, 1954. In these proceedings, the Board presented no witnesses. Thirteen witnesses testified on behalf of Greene, and twenty-four exhibits, which consisted of newspaper reports and other documents contemporaneous with the matters to which the Board had directed attention were introduced in evidence. All of

the matters, except as noted, had previously been discussed by the Industrial Employment Review Board. (See Appendix B, infra, pp. 19a-29a.)

The Board reached its decision, which was communicated to Greene in a letter dated May 28, 1954. (R. 462, 463). Its decision was "that, on all the available information, the granting of clearance to you for access to classified information is not clearly consistent with the interests of national security." (R. 463). No statement of the reasons which motivated the Board in this decision was supplied. In making its decision, the Eastern Industrial Personnel Security Board took into consideration the whole file of the case, "which includes information, neither the content nor source of which has been revealed to the plaintiff." (Stipulation of Facts, ¶23, R. 30).

Greene, through his counsel, immediately requested a statement of the findings of the Board and a transcript of the hearing, pointing out the necessity of such documents in the preparation of a petition for reconsideration. (R. 463, 464). In response to this request, the executive secretary of the Board wrote,

Security considerations prohibit the furnishing to an appellant of the detailed statement of the findings on appeal inasmuch as the entire file is considered and comments made by the Appeal Division panel on security matters which could not for security reasons form the basis of a statement of reasons.

The transcript of the proceedings, was promised "as soon as possible." (R. 465).

The present suit was filed August 20, 1954. At that time, the transcript had not yet been supplied. (R. 5).

Following the institution of this suit, a further change in the security regulations took place. Under these regulations, review by the Office of Industrial Personnel Security Review was permitted in some instances. In response to a suggestion of Assistant Secretary R. F. Fogler, a request for such a review was made on behalf of Greene. This request called attention to the pendency of the litigation, and stated that it was made without prejudice to either side in the suit. (Exhibit 19 to Stipulation of Facts, R. 465, 466). This review terminated in the adverse decision of the Industrial Personnel Security Review Board. (Exhibit D to Amended and Supplemental Answer, R. 22-24).

Following the termination of these proceedings, the parties entered into a stipulation of facts in the present suit, and filed cross-motions for summary judgment. (R. 27, 470, and 474).

The District Court sustained the motion of the defendants and denied that of the plaintiff. (R. 479). It based its order on the conclusion that Engineering and Research Corporation, having voluntarily entered into the security contract, was obliged to follow all of its terms, and that the action of the government, even if it caused Greene's discharge, invaded no legal right which he had. (R. 478).

This judgment was followed by an appeal to the United States Court of Appeals, which affirmed the judgment of the District Court. (R. 496). The Court of Appeals, while conceding the reality of the injury to Greene, (R. 494), concluded that the controversy was not one which the courts could finally and effectively decide. It rested its opinion on the conclusion

that the determination of security risk must involve considerations of policy and decisions as to comparative risks, appropriate only to the executive branch of the Government. (R. 495).

Following this decision of the Court of Appeals, the petition for a writ of certiorari was filed on July 16, 1958, and was granted by this Court on October 27, 1958.

SUMMARY OF ARGUMENT

I

This case involves a justiciable controversy. The order of Secretary Anderson which is attacked in this case, as a practical matter, caused Greene's discharge from his employment as Vice President and General Manager of Engineering and Research Corporation, a private corporation. The alternative to the discharge of Greene was the loss of Department of Defense contracts in the amount of some thirty million dollars. The dominant status of the government as the purchaser of aircraft makes the denial of clearance the equivalent of the denial of employment in this industry.

Thus to cause the discharge of an employee of a private corporation was an interference with the constitutionally protected right to contract with reference to one's employment, a right which ranks high in constitutional protection. Interference with that right gives Greene standing to sue to protect it against an arbitrary interference, since the right includes a manifest interest in the freedom of the employer in the exercise of his own judgment. Although the order of which complaint is made did not in direct terms re-

quire Greene's discharge, an emphasis on the form of the order should not be permitted to obscure the practical effect.

The respondents' contention that Greene had no standing to sue is based upon the assertion of an un-· limited right to grant or deny clearance to classified information. Such unlimited discretion would give the military departments control over the employment of some three million persons, and is at variance with the nature of our governmental institutions. The government's right to contract can not be exercised in a fashion that arbitrarily interferes with the contract rights of others. Even if the access to classified information is a "privilege," a governmental official can not deny such a privilege except for valid reasons. Clearly, the Government could not deny access to all persons with red hair, or all Unitarians. See United Public Workers v. Mitchell, 330 US 75, 100, and comment on this passage in Wieman v. Updegraff, 344 US 183, 191, 192.

H.

The Industrial Security regulations deny procedural due process. To deprive a citizen of his constitutional right to follow a lawful calling, a minimum prerequisite is a notice, hearing, and an opportunity to defend. The original order was issued without any such notice, and clearly departed from the rudiments of fair play which are required by the due process clause. Nor was this lack of due process supplied by the subsequent proceedings before the Eastern Industrial Personnel Security Board, because the regulations under which that board conducts its proceedings are clearly lacking in fairness.

What is basic fair play required by the Fifth Amendment varies with the circumstances, one of which, of course, is the nature of the rights which are involved. The governmental officials assert that they are protecting the national security, and this right is an important one. However, there is no necessity for depriving a citizen of all reasonable opportunity to defend his employment, a right also of high standing. Specific violations of the requirement of due process which are inherent in the Industrial Personnel Security regulations are the absence of a requirement that the employee be advised of all of the matters raised against him; the prohibition of a decision upon an open record and the failure to require that adverse witnesses be cross-examined; the shifting of the burden of proof to the employee, a burden made more unfair by the failure to define in specific terms the prohibited conduct.

Judged in the totality of its impact upon the injured employee, the action of the Secretary in pursuance of the procedures created by these regulations deprived him of fair notice, of knowledge of the evidence which he was required to meet, and of any reasonable opportunity of refuting information of which he was never advised. These absences created an unfairness justified by no reasonable balance of the conflicting rights.

III.

The Industrial Personnel Security regulations are assumed to rest upon a contract between the Department of Defense and the government contractor. There is no statute expressly giving the respondents the authority to make such a contract, nor can any such power be implied from the provisions of the

Armed Services Procurement Act of 1947. Especially is a limited construction of the authority granted by this act necessary in the light of the principles of interpretation expressed by this Court in *Kent* v. *Dulles*, 357 U.S. 116, 129.

Congress has never focused upon the problem of industrial security clearances and specifically authorized them. However, its rejection of a broad grant of authority to exclude subversives from defense facilities because of the failure adequately to protect the constitutional rights of citizens, indicates that had it so focused, it might very well have granted more limited authority with more adequately defined procedural safe-guards. The action of Congress in providing for the exclusion of subversives from defense plants in accordance with the Subversive Activities Control Act is inconsistent with action to the same end by the Department of Defense Officials.

IV.

The Industrial Personnel Security regulations are invalid because they deny substantive due process. The war power, like all powers of the federal government, is subject to the limitations of the Fifth Amendment. Under that constitutional provision, governmental action must be rationally related to a permissable end of the government. Here, the end open to the government is the prevention of espionage and sabotage. But the ideological tests of the security regulations have proved themselves ineffective for that purpose, and have caused substantial harm to the liberties protected by the Constitution. The greatest protection to our national security lies in preserving those liberties.

ARGUMENT

I. IN THIS CASE, THE PETITIONER ASSERTS AN ARBITRARY INVASION OF HIS CONSTITUTIONALLY PROTECTED RIGHT OF FREEDOM FROM INTERFERENCE WITH HIS EMPLOYMENT. THE CASE PRESENTED IS A JUSTICIABLE CONTROVERSY WHICH THE COURTS BELOW HAD JURISDICTION TO ENTERTAIN.

The initial problem involved in this case is whether there is a justiciable controversy. Both of the lower courts held that no such justiciable controversy existed. The District Court premised its conclusion on the assertion that Greene's employer had voluntarily agreed that the Defense Department could call for the exclusion of the contractor's employees, and that for that reason, Greene had suffered no legal harm. (R. 478). The Court of Appeals reasoned that the determination of the existence or non-existence of a security risk was a matter peculiarly within the competence of the executive and not of the courts to decide. (R. 489 et seq.)

This issue is posed by the conflicting contentions of petitioner and respondents as to what was actually accomplished by the order of Secretary Anderson.

Greene asserts that the letter of April 17, 1953, caused his discharge by ERCO, prevented his securing other employment, and in the context of the Industrial Personnel Security regulations defamed him by casting doubt upon his loyalty to the United States, or his moral responsibility. The respondents, on the other hand, contend that they merely exercised the right of the government "to refrain from giving contracts for secret military equipment to contractors whose employees it does not fully trust. Rather than withhold contracts altogether from such contractors, however, it has given the contractor the choice of agreeing to

keep the secret information out of the hands of such employees." (Brief for Respondents in Opposition to Petition for a Writ of Certiorari, p. 12).

It can hardly be doubted that the letter of Secretary Anderson caused Greene's discharge. Whether or not ERCO might have retained Greene in some position, it could continue him in the position of its vice president and general manager only by surrendering its business relationships with the Department of the Navy, since the regulations require clearance for all officers of a corporate contractor. 32 C.F.R., § 72.2-107 (Supp. 1956). Since the company operated only one plant, in which it was impossible to segregate the Navy work, (R. 472), and since the letter required Greene's exclusion from plants in which Navy work was being carried on, (R. 2), it was perfectly clear that ERCO was required to choose between retaining Greene in its employment or continuing to perform Defense Department contracts. In reality, it was required to discharge Greene or go out of business itself.

In January, 1952, ERCO employed two thousand people and was engaged in performing about thirty million dollars' worth of military contracts. (R. 73) In the field of aircraft manufacture, the military departments are the almost totally dominating customer. In the year 1952, the total production of planes was 12,509 aircraft, of which approximately 9,000 were military planes, 193 were commercial transports, and 3,316 were utility planes. The following year, production was estimated at 16,000 planes of which 12,000 were military types, 205 were large commercial transports and 4,495 were utility aircraft. Encyclopaedia Britannica, Book of the Year 1954, p. 31 (Chicago,

1954). Military business normally constitutes 85 per cent of the aircraft industry's total shipments. Standard & Poor's, Basic Industry Surveys, Aircraft, Vol. 126, No. 11, Sec. 1, p. A7, March 13, 1958. A refusal on the part of ERGO, or any other aircraft manufacturer, to execute the military department's security agreement and to abide by its terms, would mean that it had voluntarily shut itself off from participation in the significant bulk of the industry's market.

As the Court of Appeals said, (R. 494)

As a practical matter—given Greene's position as Vice President and General Manager and given the applicable Industrial Security regulations—the Government caused Greene to be dismissed from his job at ERCO. The small contractor has no effective choice when that choice is either to continue to do business with the Government or to do virtually no business at all. Nor do we doubt that, following the Government's action, some stigma, in greater or less degree, has attached to Greene.

There can be no serious question that the threat of economic sanctions which were directed against it, deprived ERCO of any freedom of judgment, or that, had it been permitted to exercise its own judgment, the company would have retained Greene in its employment. Its action in keeping the general managership vacant for almost a year (R. 473, 474) is the most com-

That the sanction was actually directed against the employer is shown by an examination of the previous correspondence. Exhibit 1 to the Stipulation of Facts, (R. 31, 32) is a letter addressed to Engineering and Research Corporation which states, "Based on information tentatively available to it, the Board has tentatively decided that consent for access must be denied and your clearance ... must be revoked. [Emphasis supplied]

pelling proof of what it would have done, if permitted free choice in the matter.

Consequently, the practical effect of the letter written by Secretary Anderson was that of depriving Greene of employment which he otherwise assuredly could have retained. The right to contract with reference to one's employment, free of arbitrary interference on the part of governmental authority is one of the most important rights included within the protection of the due process clause. It "goes to the very heart of our way of life." This right, the importance of which can scarcely be underestimated in our economic structure, has received consistent judicial protection under the Constitution. See, e.g., Truax v. Raich, 239 U.S. 33; Parker v. Lester, 227 F. 2d 708 (CA 9, 1955). Of course, this right, like all rights. under the Constitution, is subject to reasonable regulation in the public interest, but as this Court said, in upholding the validity of educational requirements for the licensing of physicians, in Dent v. West Virginia. 129 U.S. 114, 121:

It is undoubtedly the right of every citizen of the United States to follow any lawful calling, business, or profession as he may choose, subject only to such restrictions as are imposed upon all persons of like age, sex, and condition. This right may in many respects be considered as a distinguishing feature of our republican institutions.

That Greene's interest in his employment with Engineering and Research Corporation is such as to give him standing to protect it against an arbitrary

Mr. Justice Douglas, dissenting in Linehan v. Waterfront Commission, 347 U.S. 439, at p. 441.

or unjustified interference is obvious. This Court, in Truax v. Raich, 239 U.S. 33, 38, said, "The employee has manifest interest in the freedom of the employer to exercise his judgment without illegal interference or compulsion " and observed that, "it is idle to call the injury indirect or remote." It is true that the respondents in the letter of April 17, 1953, made no demands on Greene. But this does not render the invasion of his right less direct. Demands on a third person which deprive a person of his direct rights are frequently recognized as supplying the necessary standing to sue. In Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, the threat against which the complaining organizations sought relief was aimed against government employees and interfered with their freedom to become members. In Truax v. Raich, 239 U.S. 33, the thrust was against the employer and not against the employee who sought relief. Buchanan v. Warley, 245 U.S. 60, the statutory prohibition on its face was directed against the occupant of a residence. The complainant was a seller of property; but his standing to sue was recognized. See also: Barrows v. Jackson, 346 U.S. 249, 254-258; Pierce v.

The right protected by the constitution, and for which judicial protection is claimed in this suit is that of freedom from arbitrary interference with such contract relationships between employer and employee. It is undeniable that, left to their own judgment, the employer and the employee in this case would have continued the relationship. Black v. Cutter Laboratories, 351 U.S. 292, involves the totally different situation in which the employer himself terminated the employment. In such a situation, it is undoubtedly correct to say that the employee has no constitutional right to a particular job. What is complained of in this case, and what the due process clause does prohibit, is the unwarranted intrusion of government into private relationships.

Society of Sisters, 268 U.S. 510; Columbia Broadcasting System v. United States, 316 U.S. 407.

The respondents premise their challenge to Greene's standing to sue on the assertion that they did not require Greene's discharge, but merely excluded him from what they denominate the "privilege" of access to classified information.

This emphasis on the form of the order should not be permitted to obscure its real effect. Cf. Powell v. United States, 300 U.S. 276, 285; Columbia Broadcasting System v. United States, 316 U.S. 407, 419; American Federation of Labor v. National Labor Relations Board, 308 U.S. 401, 408. This is especially true when the respondents have themselves recognized by providing for reimbursement for loss of earnings (Regulations, I 23) the practical effect of the denial of clearance. See also, Department of Defense, First Annual Report, Industrial Personnel Security Review Program, p. 11 (1956).

In this case, while the government officials have not, in so many words, said that Greene may not work as an

In their brief in the Court of Appeals, pp. 15, 16, the respondents urged: "Appellees have not deprived appellant of his right to work for ERCO or any other employer. The Secretary of the Navy's letter of April 17, 1953, did not direct ERCO to terminate appellant's employment." In their response to the petition for a writ of certiorari in this Court, p. 12, respondents concede that the denial of clearance in practical effect deprives an employee of his job, but urge that a distinction must be observed between a situation in which that result is formally demanded and one in which it is only the inevitable consequences of the government's act. The answer to this lies in the fact that it is the interplay of governmental and private action which has damaged Greene. Cf. National Association of Colored People v. Alabama, 357 U.S., 449, 463; Shelley v. Kraemer, 334 U.S. 13.

aeronautical engineer, they have accomplished that result.

However, it is attempted to justify this practical result by asserting that the respondents merely denied access to classified information, and that they have the authority to do this by virtue of the power of the government to contract to buy on such terms and conditions as it pleases. This argument relies, as it must, on *Perkins v. Lukens Steel Co.*, 310 U.S. 113, 125.

This claim must be examined in the light of realities. It is beyond dispute that one who is employed in fields dominated by defense spending, as is the aircraft industry, must have access to classified information, or he simply cannot be employed in the field. As asserted by the respondents, the granting or denying of such access is a matter for their unlimited discretion. Consequently, they are claiming an unlimited power to exclude by the exercise of the economic power of the government, at will from employment. If the Secretary has such power with respect to Greene, he has it with respect to any person employed in any phase of industry in which the economic power of the govern-

Greene lost employment by a company which had absolute confidence in him. Colonel Berliner testified (R. 315) that he had been willing to stake the company's future on Greene's judgment that he could build the electronic flight simulator. If an employer with this confidence could not retain him, the difficulty of persuading a stranger to give employment should be obvious, Greene's experience in finding other employments closed to him (R. 473) has been shared by others. See, for example, "Industry Goal: Simple Employee Loyalty Check," Nation's Business, December 1955, p. 40; Berle, The 20th Century Capitalist Revolution, pp. 92, 93 (1954); "Security and Constitutional Rights," Hearings, Subcommittee on Constitutional Rights, Committee on the Judiciary, Senate, 84th Congress, 2d Sess., pp. 230, 545, 546, 575, 621, 670-71, 597-98 (Committee print).

ment gives it influence. Since federal assistance to scientific research is important, the program has even been extended to colleges and universities, with the result that the power asserted by the respondents extends to the faculties of educational institutions. Report of the Commission on Government Security, p. 318 (1957).

The best estimates of the present coverage of the industrial security program is that three million employees of some 22,000 private employers are subject to this unlimited discretion of the military departments. Report of the Commission on Government Security, p. 235 (1957). In the field of aviation alone, the fifteen leading producers of military planes employed, in 1957, 485,760 persons in military and non-military production. Standard and Poor's, Basic Industry Analysis, Aircraft, Jan. 2, 1958.

The difficulty of accepting a claim of unlimited discretion over such a magnitude of individuals arises from a consideration of the very nature of our government. "When we consider the nature and theory of our institutions of government, the principles upon which they are supposed to rest, and review the history of their development, we are constrained to conclude that they do not mean to leave room for the play and action of purely personal and arbitrary power." Yick Wo v. Hopkins, 118 U.S. 356, 369.

Perkins v. Lukens Steel Company, 310 U.S. 113, cannot be construed to justify the assertion that an employee deprived of his employment by reason of denial of clearance is lacking in standing to challenge that denial. This would mean that acts of a government official resulting in the gravest sort of injury are

were this to be so, administrative action aimed at a named individual which stigmatizes his reputation and seriously impairs his chance to earn a living could not be challenged in any court. Limitations on the exercise of administrative power are enforced in practice through the medium of the courts of justice. Cf. Hamilton, Federalist Paper No. 78 (Modern Library edition, p. 595).

The fact that the government has a power to enter into contracts upon such terms as it pleases does not mean that a particular officer of the government can exercise an unlimited discretion. Since no individual officer is possessed of authority co-extensive with that of the entity of "government", a claim that an officer has exceeded his particular authority—and that claim is raised by Greene-results in a justiciable controversy. This/Court has recognized that "the action of an officer of the sovereign (be it holding, taking or otherwise legally affecting the plaintiff's property) can be regarded as so 'illegal' as to permit a suit for specific relief against the officer as an individual * * * if it is not within the officer's statutory powers or, if within those powers * * * if the powers, or their exercise in the particular case, are constitutionally void." Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, 140. See Larson v. Domestic & Foreign Commerce Corporation, 337 U.S. 682, 701, 702.

It should be pointed out, also, that the injury claimed in *Perkins* v. *Lukens Steel Co.*, 310 US 113, was to the competitive position of the complainants, and arose out of an alleged misinterpretation of the extent of a power granted by the express terms of a statute. Thus, the Court found that there was no

invasion of a legally protected right, since freedom from competition is not of that character. The language of the opinion, 310 US at p. 125, emphasized that the action of the government was not an invasion of legally recognized rights. But the action taken against Greene was an invasion of a legally protected right. Interference with contract rights, employment or otherwise, gives rise to a generally recognized tort action. Truax v. Raich, 239 U.S. 33, 38.

As has been demonstrated, the action of Secretary Anderson was an interference with the employment of Greene, which would, unless justified, give rise to a tort action. However, it is said that the Secretary did not interfere with the employment, but merely denied Greene the "privilege" of access to classified information. Even if this were true, it is obvious that the Secretary could not deny this privilege for invalid reasons, as for example, on the ground that one had red hair or was a Unitarian. United Public Workers v. Mitchell, 330 U.S. 75, 100. See also, the comment on this passage in Wieman v. Updegraff, 344 U.S. 183, 191, 192.

Assuming, for the purposes of argument, that the matter of access to classific information is a "privilege", it is a very important one, because no one can work in the field of aircraft production—given the modern conditions in which the military departments are the dominant purchaser—without such access. It is a privilege which is granted to most citizens, and denied only to those individuals whose clearance "may not be clearly consistent with the interests of national security," and about whom information that they are not "loyal" has been received. (Regulations, I.3, infra, p. 8a). This Court has, in a variety of situ-

ations, recognized that the claim that a privilege has been defied arbitrarily is sufficient to give the complainant standing to sue.⁸

While standing to sue may, on occasions, depend on a decision of the merits, cf., Larson v. Domestic & Foreign Commerce Corporation, 337 US 682, 690; Land v. Dollar, 330 US. 731, 739; Bell v. Hood, 327 US 678, 682, 683; the claim that the Secretary has merely exercised his discretion in denying a privilege cannot be sufficient to avoid a consideration of the merits on the claim that he has exceeded his authority. Harmon v. Brucker, 355 U.S. 579, 582.

Nor can it accurately be said that the case before this Court is one which is within the purview of

⁸ Examples of situations in which this Court has recognized an interest sufficiently direct to warrant a determination of the merits of a claim of arbitrary action include the denial of a tax exemption, Speiser v. Randall, 357 U.S. 513, First Unitarian Church v. County of Los Angeles, 357 U.S. 545; denial of second class. mailing privileges, Hannegan v. Esquire, 327 U.S. 146, 156; see also, dissents of Justices Brandeis and Holmes in United States ex rel Milwaukee Social Democrat Publishing Co. v. Burleson, 255 U.S. 407, 421-423, 430-432; 437, 438; denial of the assistance of a federal agency in labor union activity, American Communications Association v. Douds, 339 U.S. 382, 405; denial of admission to the bar, In re Summers, 325 U.S. 561; Schware v. Board of Legal Examiners, 353 U.S. 232, 238, 239; Ex parte Secombe, 19 How. 9, 13; denial of license to practice medicine, Dent v. West Virginia, 129 U.S. 114; denial of employment by federal government, United Public Workers v. Mitchell, 330 U.S. 75, Peters v. Hobby, 349 U.S. 331; Cole v. Young, 351 U.S. 536; Service v. Dulles, 354 U.S. 363; employment by state and local governments, Slochower v. Board of Higher Education, 350 U.S. 551, Wieman v. Updegraff, 344 U.S. 183; admission to a state supported institution of higher learning. Hamilton v. Regents of the University of California, 293 U.S. 245; denial of a passport (then considered to be a matter discretionary with the Secretary of State) on an improper ground, Perkins v. Elg., 307 U.S. 325, 350.

executive and not judicial power. Whether a statute can be interpreted to grant the authority claimed; whether the grant of such authority violates the restrictions of the due process clause; whether the particular exercise of the authority departs from the procedural fair play in violation of constitutional limitations; all are questions which are judicial in their very essence.

the Navy exceeded his statutory and constitutional powers in denying Greene access to clearance, thereby depriving him of his employment, raises a justiciable controversy. A consideration of the merits of the claim demonstrates that the Secretary did exceed his statutory authority and infringe the constitutionally protected rights of the petitioner.

II. THE PETITIONER WAS DENIED PROCEDURAL DUE PROCESS OF LAW BY THE REGULATIONS, AND THE ORDER OF SECRETARY ANDERSON THEREFORE VIOLATED THE FIFTH AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES.

Due process is a concept that is at once flexible and firm. It is flexible in judging the infinite variety of circumstances which arise. It recognizes that what may be fair in one situation may be unfair in another. Because of this, only by flexibility can due process achieve firmness in its demand for fundamental "fairness between man and man, and more particularly, between the individual and the Government." Mr. Justice Frankfurter, concurring in Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, 162, 163.

The procedures in the case at bar do not remotely approach the minimum standards of fairness applicable in this type of proceeding. The lack of fundamen-

tal fairness is best demonstrated by a repetition of the bare procedural facts:

The order which effectively deprived Greene of the opportunity for employment in his chosen field was issued without notice to him and without an offer of a hearing. (R. 2, 3)

A request by his employer, to whom the order had been issued, for a conference with Navy officials was rejected on the ground that it would "serve no useful purpose." (R. 177)

Not until six months later, after Greene had requested a hearing, (R. 29) was one granted. (R. 21) It was held a year after the order withdrawing clearance.

Not until nineteen days before the hearing was Greene given a statement of reasons for the withdrawal of clearance. (R. 9-11) The statement was not complete. (R. 30)

No witnesses testified against Greene at the hearing. References by the hearing officers made it plain that many of the undisclosed informants on which the Government concededly relied (R. 30) were friends or neighbors of Greene, not genuinely confidential agents. (See, e.g., R. 409-413)

The hearing board's adverse decision was not accompanied by any statement of findings or reasons for the decision. Efforts of counsel to obtain such findings (R. 463, 464) in order to prepare intelligently for further action on Greene's behalf were rejected on security grounds. (R. 465) But later, after a further and final review, findings were supplied. (R. 22-24)

One finding was that Greene's "credibility as a witness * * * was doubtful." (R. 24) This finding, on which the Review Board put considerable emphasis. (R. 24) was of course made by weighing Greene's testimony against the very statements which he was never permitted to see, explain, or counter.

Petitioner need not attempt to say precisely what procedure the Government must follow in security cases to meet the constitutional test of fairness. There may be many alternative procedures which would constitute due process. But what was done here simply does not meet the minimum standard. The Government has open to it many ways of improving present procedures without endangering its serious and legitimate interests. The many illustrations which can be found in the thoughts of those seriously concerned with the proper balance indicate clearly that security procedures could be made less unfair to the petitioner and others in his situation without sacrificing any true interest of national security. They demonstrate that,

⁹ Among such suggestions are the following:

^{1.} The findings of fact, decision, and reasons for the decision could be made available so that an appeal would afford a meaningful opportunity to know of and correct errors in the original decision. Report of the Commission on Government Security, p. 289.

^{2.} The responsible Government department (here the Navy) could be required at least to ask each informant in a case to waive any right of anonymity and appear (There is no assurance at present that such informants are even requested to allow use of their names, and there is every reason to believe that many good Americans would agree to such a request.) This proposal is less than that of the President and the Attorney General, who, on March 4, 1955, stated that "every effort should be made to produce witnesses . . . so that such witnesses may be confronted and cross-examined." Letter quoted by Report of the

weighing the interest of the individual and of the Government, the procedures afforded in this case were substantially less than due process of law.

The fundamental vice of present procedures is that there is no weighing of the competing interests in individual cases. The system, for example, forbids in absolute terms the disclosure of any informants. No official decides whether a particular informant could be identified without damage to national security. No official weighs the need of the alleged security risk for information against the need of the Government for secrecy—in the particular case.

Special Committee of the Association of the Bar of the City of New York, The Federal Loyalty-Security Program, p. 177.

- 3. The Government could be required to distinguish between genuine confidential agents, such as plants within the Communist party, and informants who are merely neighbors or non-secret associates of the alleged security risk, and then to identify the latter. This is recommended by the Report of the Special Committee of the Association of the Bar of the City of New York, ibid., p. 174.
- 4. The Government and the alleged security risk could be armed with a subpoena power, limited if need be by security considerations. Report of the Commission on Government Security, pp. 285-287.
- 5. The head of the agency might be required to make an independent finding as to why secret information should not be disclosed, stating the nature of the reasons with such particularity as the circumstances permit. Boudin v. Dulles, 235 F. 2d 532, (C.A. D.C. 1956).

In summarizing these illustrative recommendations, the petitioner does not, of course, presume to state that any of them, in the infinite variety of circumstances which might arise, would constitute due process of law. The point here is that Greene was denied even the opportunity to defend himself that any one of these suggestions would have supplied.

What due process requires, in our belief, is a procedure in which the competing considerations of individual liberty and national security are weighed in each case by a responsible and identified official of the Government. If security reasons exist for limiting procedural rights guaranteed by the Constitution, there must be assurance at the least that those security reasons are considered in the individual case and not laid down as an absolute bar that may be unnecessary and unreasonable in many cases.

The conflicting rights involved in this case are the constitutionally protected right of Greene to follow a lawful ealling, against which must be balanced the right of the Government to provide for the national security. Both are rights of the highest legal stand-In the balancing of these rights, a minimum constitutional prerequisite to a just determination is adequate notice and fair hearing on the facts. Parker. v. Lester, 227 F. 2d 708, 719 (C.A. 9, 1955). The right to a day in court is basic to our system of jurisprudence. In re Oliver, 333 U.S. 257, 273. That the oppotunity to be heard is ingrained as a requirement of our concept of justice has appeared in a variety of situations. In rate matters this Court has always exacted high standards of procedural fairness. Ohio Bell Telephone Co. v. Commission, 301 U.S. 292, 304. An ex parte order requiring the construction of an overhead railroad crossing was condemned in Southern Railway Co. v. Virginia, 290 U.S. 190. In matters of taxation, Embree v. Kansas City Road District, 240 U.S. 242; in the revocation of rights originally granted ex parte, United States ex rel. Turner v. Fisher, 222 U.S. 204, 208; and in the deportation of immigrants, The Japanese Immigrant Case, 189 U.S. 86,

notice and an opportunity to be heard have been required for the validity of administrative action. Even in the distribution of benefits by the Government and which it may withhold, the opportunity of a hearing is deemed important. Dismuke v. United States, 297 U.S. 167, 172.

A hearing in Industrial Security cases such as the one before this Court is indispensable, because the determination of whether valid reasons for the denial of Greene's clearance exist depends upon a careful examination of the facts relating to him individually. Compare Bi-Metallic Investment Co. v. State Board, 239 U.S. 441, with Londoner v. Denver, 210 U.S. 273. If those facts are to be determined fairly, a hearing, including the opportunity to dispute the adverse testimony, is indispensable.

The multiplication of "review" procedures does not. furnish due process if notice of the matters to be determined, adequate opportunity to meet the case, and meaningful opportunity to present evidence in one's behalf are never afforded to the citizen whose right is to be taken away. A due process hearing need be given only once, but it must be given once. In Morgan v. United States, 301 U.S. 1, the Supreme Court defined the essentials of such a hearing (at p. 18, 19):

The right to a hearing embraces not only the right to present evidence but also a reasonable opportunity to know the claims of the opposing party and to meet them. The right to submit implies that opportunity; otherwise the right may be but a barren one. Those who are brought into contest with the government in a quasi-judicial proceeding aimed at the control of their activities

are entitled to be fairly advised of what the Government proposes and to be heard upon its proposals before it issues its final command.

The Industrial Security regulations as applied in this case create a procedure in which a decision to deprive a citizen of his employment10 is made without notice to that citizen,11 who may then seek to have the matter: considered. Where the hearing is sought, the citizen is informed that he is being afforded an opportunity to disprove the information against him.12 He is advised of some, but not necessarily all, of the information against him.13 The decision is made by subordinates of unknown competence.14 Unsworn and hearsay gossip is included in the case against him,15 irrespective of whether or not he has been informed of its nature. And to protect his private employment, the citizen must disprove material, the nature of which he cannot know and the source of which he cannot discredit, so completely as to convince all members of the board. because if one member is unconvinced, clearance is

¹⁰ It should, perhaps, be noted that the respondents contend that the action for which they are responsible does no more than deny clearance to for access to classified information. As a practical matter, in Greene's case the loss of employment was inevitable when the clearance was denied.

¹¹ Regulations, paragraph 18c, infra, p. 13a.

¹² Regulations, paragraph 19c, infra, p. 16a.

¹³ Stipulation of facts, paragraph 23, R. 30,

¹⁴ O'Brian, National Security and Individual Freedom, pp. 33, 34.

¹⁵ Under the provisions of the Regulations, paragraph 20(a), Appendix A, infra, p. 18a, the Board is required to consider the complete file.

denied.16 To meet this burden of proof he must persuade witnesses to attend the proceedings voluntarily, as there is no assistance by subpoena in securing their presence. All of the people who testify in behalf of the employee are subjected to cross-examination by the security; officer who has prepared the statement of reasons, and by the members of the board, who have studied the file of the case. However, none of the witnesses who are supposed to have furnished derogatory information are subject to any cross-examination, either by the employee or his counsel, or by the board members. As a result, the natural frailities of the employee's witnesses are exposed, while those of the adverse witnesses remain safely hidden in the anonymity of such phrases as, "an apparently reliable witness."

The determination of the board relates not to past misconduct—no one has accused Greene of any conduct which was illegal, immoral, or unreliable—but is an attempt to predict future conduct, which may be voluntary or involuntary. (R. 37)

All of these aspects of lack of fair play are important, because each contributes to the over-all lack of fairness. In a true effort to balance the demands of the national security against Greene's demand for protection in his employment, the elimination of one

Rights," Hearings before the Subcommittee on Constitutional Rights, pp. 608, 609. In a letter dated February 29, 1956, Mr. Fenton stated that, "Cases must be referred to Review Board when Hearing Board issues a split decision, whether favorable or unfavorable." Report of the Special Committee of the Association of the Bar of the City of New York, The Federal Loyalty-Security Program, p. 224 (New York, 1956).

might be compensated for by insistence upon another type of safeguard. But the refusal of all of them is a negation of the rudiments of fair play.

A comparison of the requirements of the Administrative Procedure Act, 60 Stat. 241 et seq., 5 U.S.C., §§ 1006-1007, shows that the procedure established by the Industrial Security regulations falls far short of what Congress has, with respect to potential injuries far less serious than exclusion from the pursuit of a chosen occupation, considered essential to fair play. Wong Yang Sung v. McGrath, 339 U.S. 33, 50, 51. Since Congress has not spelled out any procedures for this deprivation of a citizen's private employment, if statutory authority for the program is found to exist by implication, the statute from which such an implication is derived should be construed in a manner which does not make it repugnant to the due process clause.

Some of the aspects of the lack of procedural fairness should, however, be discussed in greater detail.

A. The absence of a positive requirement that the charges state fully and fairly all of the matters upon which it is proposed to base the adverse action imposes such a handicap on the defense of the employee as to infringe the requirements of procedural due process.

The first infringement of the due process clause by the Industrial Personnel Security regulations is found in the first step of the formal proceedings by which the employee is deprived of his employment.

The regulations make it explicitly clear that the employee need not to receive any full statement of the allegations on the basis of which the government proposes to destroy his right to earn a livelihood.

The regulations (Section 16d, infra, Appendix A, p. 13a) provides that the Screening Division "will, in collaboration with the Security Advisor and the Legal Advisor, prepare a notice of proposed denial of revocation of clearance and a Statement of Reasons which will be as specific and detailed as, in the opinion of the Screening Division, security considerations permit, in order to provide the contractor or contractor employee with sufficient information to prepare a reply." [Emphasis Supplied]

That information was withheld in the present case was stipulated by the government. (Stipulation of Facts, paragraph 23, R. 30) but what information was withheld, and whether the reasons are in fact valid can never be reviewed-not even by this Courtbecause no one is permitted to see the file of the case, except those employees of the respondents who participate in the actual making of the decision. It may be something Greene can, if given the opportunity, refute beyond question. It may be a misinterpretation by an informant, or by the investigator in quoting him. It may involve something wrongly attributed to some person who has actually testified in Greene's behalf, but because neither the employee, nor the board, nor this Court knows its supposed source, its refutation remains undisclosed.

That a decision founded upon such concealed matters violates all concepts of fundamental fairness and the due process clause cannot be seriously disputed. In criminal cases, due process prohibits a conviction on a charge which is not made. De Jonge v. Oregon, 299 U.S. 353, 362. While it is true that this is not a criminal proceeding, it is a proceeding in which Greene is losing

his employment on the basis of a prediction as to future conduct putatively based on past conducts and associations.

The requirement of full and adequate notice is observed in the determining of a claim of conscientious objection to military service. That this is a privilege which Congress can grant or deny in its discretion is clear. No less should be required as a pre-requisite for depriving a citizen of his private employment. Yet the treatment accorded Greene is far less than that accorded the conscientious objector, who must be afforded "a fair opportunity to . . . speak his piece before an impartia hearing officer; ... [permitted] ... to produce all relevant evidence in his own behalf and at the same time [supplied] him with a fair resume of any adverse evidence in the investigator's report." United States v. Nugent, 346 U.S. 1, 6. See also, Gonzales v. United States, 348 U.S. 407, 415; Simmons v. United States, 348 U.S. 397. In the latter case, this Court said, "The Congress, in providing for a hearing, did not intend for it to be conducted on the level of a game of blindman's buff."

B. The proceedings provided for by the Industrial Personnel Security Regulations violate due process by failing to require a decision on an open record and by placing the entire burden of proof on the employee.

A reading of the transcripts of the administrative hearings in this case demonstrates that although this matter has been considered in extenso on two occasions, never once has any person appeared to say anything to Greene's detriment.

The basis upon which Secretary Anderson, and subsequently the board, found against Greene was the contents of a "case history file." This document was, of course, prepared by an investigative agency, in all likelihood the Federal Bureau of Investigation. This is a mass of interviews with persons of all sorts and varieties and of undetermined reliability. Secretary of State John Foster Dulles, Press Conference, 28 Dept. of State Bulletin 518 (1953); see also, Jay v. Boyd, 351 US 345, 365. It clearly constitutes hearsay. As such, it can not be the basis of an administrative order. Consolidated Edison Co. v. National Labor Relations Board, 305 US 197, 230.

That in the normal judicial and administrative processes, action, if it is not to be arbitrary, must be based upon evidence supplied by witnesses who are subject to cross-examination is apparent.

This Court has held that administrative orders, quasijudicial in character, are void if a hearing is denied,
and to constitute a hearing, "All parties must be
fully apprised of the evidence submitted or to be considered, and must be given opportunity to crossexamine witnesses, to inspect documents, and to offer
evidence in explanation or rebuttal." Interstate Commerce Commission v. Louisville and Nashville R. Co.,
227 US 88, 93; Carter v. Kubler, 320 US 243, '247;
In re Oliver, 333 US 257, 273; Reilly v. Pinkus, 338
US 269; 275, 276; In re Murchison, 349 US 133, 138,
139.17

The government resists Greene's demand to hear and cross-examine the witnesses against him on the assertion that the demands of national security are such that the government can not reveal the identity of its witnesses. Since Greene, and possibly the board itself, does not know the identity of the witnesses thus protected, surmises as to who these protected people were are necessary. This record indicates that most, of not all, of the informants were people who claimed to have had a personal acquaintanceship with Greene. 18

To excuse such people from an examination of their bias, prejudice, opportunity to observe, meaning of eterms, and other aspects relating to the credibility of what they have to say, merely because it is inconvenient to them to appear and testify, is not a rational

General to suspend deportation and the exclusion of an alien. None of these cases, however, involved the destruction of a citizen's right to pursue a chosen occupation without affording him a fair hearing at some stage prior to the final determination of the proceedings.

18 For example, one informant "identified himself as having been a very close friend of yours over a long period of years." (R. 409). 'Another was described as "another one of your associates." (R. 413). One, of course, was Colonel Berliner, the man who would stake the entire future of his company on Greene's judgment. (R. 405). Since, in point of fact, all of the people who could accurately describe themselves in such terms and who could be reached were called as witnesses in Greene's behalf, it is more than likely that the informants quoted by the security officer had already testified under oath in Greene's favor. It should also be noted that the informant who charged Greene with reading pro-Communist books, (R. 410) also stated that Greene was not a communist, but that Jean was a "parlor pink." Although it would seems that these security boards have noted no observable difference between a "parlor pink" and a Communist it would appear reasonable to suppose that this particular informant agreed the term "ardent Communist" was not properly applicable to Jean Hinton Greene.

¹⁷ There are limited exceptions to the general requirement of cross-examination. Norwegian Nitrogen Products Co. v. United States; 288 U.S. 294 (tariff determination); Escoe v. Zerbst, 295 U.S. 490 (revocation of parole); Williams v. New York, 337 U.S. 241 (use of out of court evidence in fixing sentence). Jay v. Boyd, 351 U.S. 345, and Shaughnessy v. United States ex Mezei, 345 U.S. 206, involved the discretionary power of the Attorney

balancing of the necessities, especially in an issue so vital to the employee as loss of employment. "The concept that it is the duty of a witness to testify in a court of law has roots... deep in our history..." Garland v. Torre, 259 F. 2d 545, 569 (CA 2, 1958).

Confrontation is an essential of a reasoned decision, Secret examinations are wrong because they are not conducive to truth-seeking. That security determinations have been especially vulnerable to error is demonstrated by the fact that it has been estimated that in about eight per cent of the federal cases, informants . upon whom reliance has been placed have been found untrustworthy or, if trustworthy, have been incorrectly reported. Bontecou, "Due Process in Security Dismissals," 300 The Annals of the American Academy of Political and Social Science, at p. 107. This Court has itself had occasion to observe that these "confidential informers', have on occasions been guilty of outright perjury. Mesarosh v. United States, 352 US 1; Communist Party v. Subversive Activities Control Board, 351 US 115,

from the investigative agencies, to some degree, a certain kind of information and that, in the future, some persons will be deterred from carrying some of these tales to the investigating authorities. It is unbelievable that the result will prevent able officials from procuring proof any more than those officials are now helpless to procure proof for criminal prosecutions. But surely it is better that these agencies suffer some handicap than that the citizens of a freedom loving country shall be denied that which has always been considered their birthright. Indeed, it may well be that in the long run nothing but beneficial results will come from a lessening of such talebearing.

[Imphasis supplied]

Does the employee really need the right to confront and cross-examine the witnesses against him? The need for such a right is illustrated, in different facets, in the two cases involving the Industrial Personnel Security regulations in which this Court has granted certiorari, the present case and Taylor v. McElroy, No. 504, October Term, 1958. In the Taylor case, the adverse determination against the employee was based on the assertion, although the form of the assertion in the "Statement of Reasons" seems to have undergone the not unusual metaphorphasis in terms, that Taylor had at one time, but was no longer, a member of the Communist Party. (Petition for a writ of certiorari, pp. 6-8). This assertion Taylor vigorously denied, and supported his denial with sworn testimony, only to discover that the Board believed the unidentified informants, and denied Taylor clearance. Then, after this Court granted certiorari, the Secretary of Defense reversed the previous decision and granted Taylor clearance. Evidently, further consideration or investigation had persuaded the Secretary that the word of the informants could not be believed on a matter of objective fact, Taylor's alleged party membership. No clearer demonstration could be given of the dangers of reliance on untested informants.

Greene illustrates an even more important facet of the need for a detailed cross-examination. The respondents have suggested that Greene does not really need to cross-examine the witnesses because he has not denied his acquaintanceship with some of the persons listed by the security screening division as Communist party members and "strong supporters of the Communist conspiracy." It can be affirmed that Greene did in fact have a casual acquaintanceship with these

¹⁹ Cf. Parker v. Lester, 227 F. 2d 708, 720 (CA 9, 1955):

people. But this is a far cry from any rational basis for asserting that he knew of, or approved of, the things that are charged against them.

The matters stated must be evaluated in context, and this means that any fair judgment must be rested on much more adequate knowledge of the informant's opportunities for observation, the informant's understanding, and his motives. If some one asserts that Greene was in general agreement with his former wife's political viewpoint, the informant's opportunity for observation is most material in determining whether to believe him in the face of overwhelming contradiction.

Here the statement of reasons is couched in terms which almost cry out on their face for the kind of specification that can be had only by face to face questioning. Jean Hinton Greene, it is said, had "wild ideas," "etc." What does this mean?

The need for cross-examination to afford the employee any fair chance to defend himself is apparent. The matter comes to this. An opportunity to be heard may not seem vital when an issue relates only to technical questions susceptible of demonstrable proof on which evidence is not likely to be overlooked, as for example, tariff data which was involved in Norwegian Nitrogen Products Co. v. United States, 288 US 294. But here, we are dealing with subjective interpretations of the employee's subjective beliefs. We are doing so in an atmosphere naturally surcharged with emotion and in fear of the very real threat inherent in the military power of the Soviet Union. The meaning and worth of the data depends upon a host of in-

Graphic illustrations of this gathering of evidence are afforded by this case. For example, the Security officer (R. 379) read a sinister inference into the fact that the former Mrs. Greene slept on a bed-board, when he cross-examined Dr. Marjorie Greenberg, the employee's sister. The board was apparently unimpressed by the simple medical fact stated by Dr. Greenberg, a physican, that "... everybody I've ever known who had any disturbance with their spinal column had to sleep on a board." A similar attempt at sinister inference is to be found in questions regarding the alleged photographic laboratory in the basement of the Silvermaster house. Greene testified without reservation that he had seen this laboratory and had been in this "developing" room.21 The security officer deduced from this that Greene was especially trusted by Ullman, abruptly brushing aside the apparently rea-

²⁰ Mr. Justice Holmes, in a letter to Arthur Garfield Hays in 1928. Quoted by Mr. Justice Frankfurter, concurring in Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, 171.

There is to one who can truthfully say that Greene has not on all occasions to tified freely concerning his knowledge of the Silver-masters. One example is the fact that while these proceedings were pending in the District Court, Greene was requested to appear before the Subcommittee on Internal Security of the Senate Judiciary Committee, in connection with the activities of his former brother-in-law, whom he knew only slightly. He did so on July 27, 1954, and the record indicates that he answered every question put to him without reservation. "Interlocking Subversion in Government Departments," Hearings before the Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws, Committee on the Judiciary, Senate, 83rd Congress, 2d Session, Part 23, pp. 1741-1747.

sonable suggestion, "I would say that the best way to describe Ullman's action was showing off with what he had." (R. 429).

This need for cross-examination is a need of all concerned in these proceedings. Obviously, it is a need for the employee, if he is adequately to meet the issues. It is a need for the tribunal, for "By no other means can those who must judge their fellow men minimize to the fullest extent the mistakes which humans make.²² It is a need of the public because morality is fundamental to the preservation of our system of government. "In a country with our moral and material strength the maintenance of fair procedures cannot handicap our security. Every adherence to our moral professions reinforces our strength and therefore our security." Mr. Justice Frankfurter, dissenting in United States v. Nugent, 346 US 1, 13.

These considerations make undeniable the requirement of the due process clause that the casual informant, the ordinary citizen, at least, be called to testify.

Does the undercover agent or the truly confidential informant fall in a different category? The answer to this lies in the way in which the respondents propose to use their undercover agents. Obviously, it is common knowledge that most police agencies do in fact utilize the services of such persons, although in matters other than those said to involve security, they are designated by a somewhat less flattering name. When these people are used as a means of securing evidence which can be produced against the person affected, there can be no legal objection to their use. But the

²² Harry P. Cain, Address to New York Civil Liberties Union, February 22, 1956. See also, Stephens, Administrative Tribunals and the Rules of Evidence, p. 96.

distinction lies in the fact that it is not the "confidential informant" whose testimony forms the basis of depriving a person of his liberty or property. The decision turns on the evidence which is actually produced on the record, and short of such immoral practices as wire-tapping or affirmative violations of the constitutional guarantees, such as illegal searches, the trier of facts is not concerned with the means by which the evidence has been secured. The essential is the evidence actually produced. But if the trier of facts is to act upon the statements of informants, they must be identified and their veracity tested by cross-examina-These are not novel doctrines. To prosecute a petty thief or a narcotics peddler, the government would have to produce its witnesses openly. In those situations in which information of an informer is utilized as the basis of a search warrant, the government is required to identify him. Roviaro v. United States, 353 US 53, and to make previous statements of the informant available to the defendant to assist in his cross-examination. Jencks v. United States, 353 US 657, 667.

Why should these rights be denied to a person guilty of nothing illegal when it is proposed to deprive him of his livelihood because some administrative official has not been convinced beyond peradventure of a doubt that he might, at some unpredictable future time, be guilty of something that he has never done and probably will never do?

The government's answer is an evasion of this question. It says that it should not be forced to choose between revealing the confidential sources of its information and the revealing of classified military information. Certainly, the government should not be forced

to any such choice. But it is not. It is only forced to prove a case, securing its evidence by any leads and any methods available to it, but proving its case by evidence. The only possible answer to the supposed problem of the Government is that if the sources of information need protection, they should be kept secret. But once they are used to destroy a man's reputation and deprive him of his liberty, they must be put to the test of due process of law.

C. The Industrial Security regulations violate the requirements of the due process clause by shifting to the employee the burden of disproving charges so vague that it is impossible to know what the offending conduct is.

The most startling infringement of the constitutional guarantees included in the concept of due process is the establishment, although not in such terms, of presumptions which are irrefutable.²³ The record in this case is replete with examples of such mental processes on the part of the security officers. Someone, somewhere, has been labeled as subversive. In point of fact, he may have had a hearing and succeeded in demonstrating that the label was incorrectly applied to him, but nevertheless, an acquaintance with him may be sufficient to deprive an employee of his livelihood, because in practical effect he is not permitted to chal-

²³ See, by way of illustration, 13 Fed. Reg. 9372, 5 C.F.R. § 220.4(d). Whether the presumptions are technically irrebutable or not, they are irrebutable in practice, e.g., Yarmolinsky, Case Studies in Personnel Security, p. 7 (Washington, 1955). Here, a board chairman suggested that once an individual is called a "known Communist", "the only safe thing . . . is to assume that the Government knows what it is talking about." See also, Cushman, Civil Liberties in the United States, pp. 186-191, (Cornell, 1956).

lenge the designation, assuming, of course, that he is able to do so.

The crux of this matter is that due process requires that the burden of proof be placed where it ought to be: the security officer should be obliged to show by evidence that the questioned individual was, in fact, a person of ideas which are within the scope of security inquiries. And we respectfully suggest that this does not mean ideas which on their face are innocent, such as a hope for greater industrialization and consequently better living conditions in the South.²⁴

That this burden properly belongs on the security officers is demonstrated by the opinion of this Court in Speiser v. Randall, 357 US 513, 520, 526:

To experienced lawyers it is commonplace that the outcome of a lawsuit—and hence the vindication of legal rights—depends more often on how the factfinder appraises the facts than on a disputed construction of a statute or interpretation of a line of precedents. Thus the procedures by which the facts of the case are determined assume an importance fully as great as the validity of the substantive rule of law to be applied. And the

²⁴ See, for example the passage between Greene and the board during the first hearing (R. 123), in which Greene was asked by a member of the board,

Q. Didn't you say that you suspected them of being Communists? A. Well, then, if I said that I made a mistake. I said that I suspected they were left wingers.

Q. Wasn't your idea of a left-winger synonymous with that of a Communist? A. No, but it is now.

Q. Wasn't it then? A. I thought they were just liberals.

Q. That is a play on words. A. That is what I thought at the time.

Q. What does the word liberal mean in your estimation? Doesn't it mean connected with Communism and Russia?

more important the rights at stake the more important must be the procedural safeguards surrounding those rights.

The vice of the present procedure is that, where particular speech falls close to the line separating the lawful and the unlawful, the possibility of mistaken factfinding—inherent in all litigation—will create the danger that the legitimate utterance will be penalized. The man who knows that he must bring forth proof and persuade another of the lawfulness of his conduct necessarily must steer far wider of the unlawful zone than if the State must bear these burdens. This is especially to be feared when the complexity of the proofs and the generality of the standards applied, cf. Dennis v. United States, supra, provide but shifting sands on which the litigant must maintain his position. How can a claimant whose declaration is rejected possibly sustain the burden of proving the negative of these complex factual elements?

These shifting sands become more treacherous because the record seriously challenges the assertion of the subversive character of these organizations (e.g. R. 243-246). The Department of Defense has admitted that it does not examine the basis of citations of subversive organizations.²⁵ Findings based solely on the fact that such organizations have been listed are arbitrary. Shachtman v. Dulles, 225 F. 2d 938 (C.A.D.C., 1955); Kutcher v. Gray, 199 F. 2d 783 (C.A.D.C., 1952). This undoubtedly explains, but hardly justifies, the apparently serious finding of the Review Board im-

The admission that the Army makes no independent investigation of listing by the Attorney General or the House Committee on Un-American Activities was made by Hugh M. Milton, Assistant Secretary of the Army, in his testimony before the Senate Subcommittee on Constitutional Rights of the Committee of the Judiciary. Hearings, November 22, 1955, pp. 511, 512.

puting subversive characteristics to a radio station (R. 24) on the basis of a charge by an unidentified informant that its news coverage, supplied by the Associated Press, paralleled the Communist Party "line".

The criteria²⁶ established by the regulations are twenty one in number, ranging from the commission of espionage, sabotage, or sedition, to the presence of a relative in a foreign country.

The generalized direction to the boards, which certainly authorizes them to consider the listed matters, in terms permits them to consider other matters, as in fact they do. Consequently, the vagueness inherent in the official statement of the standards and criteria for denying clearance is compounded and magnified by the injunction to consider "all available information."

The specific criteria increase rather than diminish this vagueness. For example, criterion number 15 infra, p. 11a, states as a ground for denying employment:

Any behavior, activities, or associations which tend to show that the individual is not reliable or trustworthy;

²⁶ These criteria have uniformly been condemned as too vague to confine the security program within its legitimate scope. See, for example, Report of the Commission on Government Security, pp. 268-270; Report of the Special Committee of the Association of the Bar of the City of New York, p. 152; Brown, Loyalty and Security, pp. 391-394.

²⁷ Examples of the way in which the security boards range through private beliefs on the supposed justification of establishing a pattern of agreement with Communist beliefs are collected in Bontecou, *The Federal Loyalty Security Program*, Chapters IV and V, (Cornell, 1953).

and criterion number 20:

Any facts which furnish reason to believe that the individual may be subjected to coercion, influence, or pressure which may cause him to act contrary to the national interest;

and criterion number 10:

Sympathetic interest in totalitarian, Fascist, Communist, or similar subversive movements.

The list could be multiplied, but these are sufficient to show that no human being, enmeshed in security proceedings, could prove his future innocence. His only hope would be that the Board would exercise its restraint, but the fact "[t]hat a conclusion satisfies one's private conscience, does not attest its reliability. . . . [S]elf-righteousness gives too slender an assurance of rightness." Mr. Justice Frankfurter concurring in Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. at p. 171. The "offending" conduct need not be illegal, immoral, or anti-social—for no such conduct is even hinted against Greene—in order for the Board to adjudge a citizen a potential traitor.

III. THERE IS NO STATUTORY AUTHORITY FOR THE ISSUANCE OF A BENIAL OF CLEARANCE FOR ACCESS TO CLASSIFIED INFORMATION, THEREBY DEPRIVING AN EMPLOYEE OF HIS WORK.

The Industrial Personnel Security regulations are assumed to rest upon the power of the government to contract with respect to its own purchases. The provisions of the security manual are imposed through a "security agreement". (Exhibit A to Amended and Supplemental Answer, R. 17-21). "The operation of

the industrial security program may thus be said to rest upon Government regulations and upon contractual obligations. These regulations and obligations do not, however, constitute the legal basis for the program as a whole. Such a basis must be found in a statute which authorizes the executive branch of the Government (and the Department of Defense in particular) to establish this program." Report of the Commission on Government Security, pp. 249, 250 (1957).

The power to provide for the common defense through the raising and maintaining of armies and navies is vested in the legislative department. Constitution, Article I, Section 8. It is from that grant of power that the authority to make contracts must be derived.

There is no statute which, in express terms, confers upon any administrative official any power to exclude any person from private employment. The respondents admit this. 28 Their reliance for statutory authority is upon the Armed Services Procurement Act of 1947, and specifically upon Section 153 of that Act, 62 Stat. 21, 41 U.S.C. (1952 ed.) § 153, which provides,

²⁸ The conclusion that the respondents admit the absence of express authority for their action is fairly supported by the argument advanced in their brief in the Court of Appeals, p. 18, in which they say: "The Government, acting through the Department of the Navy, of course has the right to enter into contracts, including classified procurement contracts, with ERCO. Such power was conferred by various appropriation acts and by the Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C. (1952 édition), §§ 151-161.

* * * Except as provided in subsection 9(b) of this section, contracts negotiated pursuant to section 151(c) of this title may be of any type which in the opinion of the agency head will promote the best interests of the Government. * *

The assumption that this provision authorizes unlimited discretion in the respondents to control employment in private industry by granting or denying access to classified information is in direct contradiction to the principles of statutory interpretation underlying Kent v. Dulles, 357 U.S. 116. In that case, this Court was concerned with the power of the Secretary of State over the issuance of passports under an act which provided that "The Secretary of State may grant and issue passports... under such rules as the President shall designate..."

Even this broad language was not sufficient to grant the Secretary an unlimited discretion as to the issuance or denial of passports. The Court said, 357 U.S. at p. 129):

If that "liberty" [of travel is to be regulated, it must be pursuant to the law-making functions of the Congress. . . And if that power is to be delegated, the standards must be adequate to pass the standards of the accepted tests. . . Where activities or enjoyment, natural and often necessary to the well-being of an American citizen, such as travel, are involved, we will construe narrowly all delegated powers that curtail or dilute them."

See also, Ex parte Endo, 323 US 283, 301-302. Cf. Hannegan v. Esquire, 327 U.S. 146, 156; United States v. Ruměly, 345 U.S. 41, 46.

Nor can the interpretation that this statute gives the respondents the power they claim be derived from any supposed ratification through the appropriation. acts. The Department of Defense has consistently assured the Congress that no clearance is denied without "a fair hearing".20 The discussion of the procedures under the Industrial Personnel Security regulations, supra, pp. 51 to 53, demonstrates that the proceedings which are held cannot accurately be described as a "fair hearing" or a "full hearing." Nothing in any of the appropriation acts refers to the Industrial Personnel Security program in express terms, or in terms which indicate knowledge of what the program is or how it works. Consequently, the rule of implied ratification expressed in Ludecke v. Watkins, 335 U.S. 160, 173n. Fleming v. Mohawk Co., 331 U.S. 111, 116; Brooks v. Dewar, 313 U.S. 354, 361; and Isbrandsdtsen-Moller Co. v. United States, 300 U.S. 139, 147, has no application to the Industrial Personnel Security program.

Congress has never focused on the problem of industrial security and specifically authorized the present program. Indeed, the Committee on the Judiciary of the House of Representatives rejected a proposal to grant the executive authority to issue regulations excluding subversives from a broadly defined category of defense facilities, (H.J. Res. 527, 83rd Congress, 2d Sess.) on the ground that it was not drawn "so as to enhance the security of the United States, but not to limit the constitutional rights of citizens on the other hand." House Report No. 2280, House of Representatives, 83rd Congress, 2d Sess., p. 3.

²⁹ Cf., e.g., Department of Defense Appropriations for 1956, Hearings before the Subcommittee of Committee on Appropriations, House of Representatives, 84th Congress, 1st Session, pp. 774, 775.

If Congress had focused on the broad problem, it might well have granted more restricted authority than that now claimed, limiting it by definitions of the term subversive and balancing it with appropriate procedural safeguards, as it did in providing for the exclusion of dangerous persons from defense facilities in the Internal Security Act of 1950, Act of September 23, 1950, ch. 1024, Title I, §§ 1-21, as amended, 64 Stat. 937, 50 U.S.C. §§ 781-791. The distinctions between the method adopted by Congress and the methods of the Industrial Security program are manifest and important in the preservation of constitutional liberties. Congress delegated the authority to determine these issues, not to the respondents, but to specially appointed administrative officers, who occupy positions of quasi-judicial responsibility. The penalty of exclusion applies only to actual members of Communist action organizations, as contrasted with the almost irresponsible uses of any designation by the respondents. An example of this irresponsibility is to be found in the assertion that Radio Station WQQW was said to be "reliably reported" to be pro-Communist. (R. 10, ¶5). The act provides for full hearing and judicial review of the designation of an organization. Finally, the penalty of exclusion from defense facilities applies only to an individual whose membership is continued after the designation by the board:

These important differences make it clear that this act provides for such exclusions from employment as are authorized, and has prohibited the inconsistent procedures established by the respondents. *Little* v. *Barreme*, 2 Cranch, 170.

An attempt has been made to justify the exercise of the contract power of the government to insist upon the security agreement and consequent control of the right of private employment as "an incident to the general right of sovereignty; and the United States being a body politic, may, within the sphere of the Constitutional powers confided to it, and through the instrumentality of the proper department to which these powers are confided, enter into contracts not prohibited by law, and appropriated to the just exercise of those powers * * * " United States v. Tingley, 5 Pet. 115, 128. The proper-scope of this understandable doctrine of the right of contract, and the implied authority to negotiate incidentals of the work, such as provisions for the settlement of disputes, as in United States v. Moorman, 338 US 457, can not and should not be extended to justify the demand for a contract right on the part of the government to interfere with existing contract relations between the employer and his employee.

There is no implied authority on the part of the executive to exercise such far-reaching control, either from the power to execute the laws nor the power of the President as commander-in-chief. The principle stated by this Court in Youngstown Sheet & Tube Co. v. Sawyer, 343 US 579, 588, forecloses the claim of such implied authority. The Court said,

The power of the Congress to adopt such public policies as those proclaimed by the order is beyond question. It can authorize the taking of private property for public use. It can make laws regulating the relationships between employers and employees, prescribing rules designed to settle labor disputes, and fixing wages and working con-

ditions in certain fields in our economy. The Constitution did not subject this law-making power of Congress to presidential or military supervision or control.

Inasmuch as the authority of the respondents, under the guise of granting or denying clearance for access to classified information, to control employment in private industry has not been granted by statute, and cannot be implied from the authority of the president as commander-in-chief, it is clear that there is, in fact, no such power on the part of the respondents. But even if Congress attempted to grant the unlimited authority so to interfere with private employment as the respondents have attempted here, that grant would be invalid, since it would violate the due process clause of the Fifth Amendment both as to substantive due process and as to procedural due process.

IV. THE ORDER DEPRIVING GREENE OF HIS EMPLOYMENT IS A VIOLATION OF THE SUBSTANTIVE REQUIREMENTS OF THE DUE PROCESS CLAUSE.

If, contrary to our belief, Congress has authorized the industrial security program, or if that authority can be inferred, then the regulations as adopted and applied in this case by the Defense Department deprived Greene of substantive due process. The regulations, as applied, are without a rational basis and have no substantial relationship to any permissible ends of the Government.

The power of any branch of the Government to deprive Greene, or any other citizen, of his employment for reasons thought to be relevant to security must find its beginning in the war power, or in the inherent power of the government to protect itself from violent revolution. The war power is of course, broad, but it is not absolute. It is subject to the limitations of the Constitution, including those of the due process clause. Galvan v. Press, 347 U.S. 522, 530, Hamilton v. Kentucky Distilleries & Warehouse Corporation, 251 U.S. 146, 156. Likewise, the prohibitions against bills of attainder and ex post facto laws, and the more specific limitations of the Bill of Rights apply in limitation of the war power. United States v. Cohen Grocery Company, 255 U.S. 81. These limitations of this power require an examination of the Industrial Personnel Security regulations in an effort to balance the right of the Government against the conflicting right of the individual for protection in his employment.

The Fifth Amendment conditions the exertion of an admitted power, in this instance, the war power, by securing that the end shall be accomplished by methods consistent with due process. The guaranty demands that the law shall not be arbitrary, unreasonable, or capricious, and that the means selected shall have a real and substantial interest to the object sought to be attained. Nebbia v. New York, 291 U.S. 502, 525; Cl cago v. Sturges, 222 U.S. 313, 322. The Industrial Personnel Security regulations do not meet this test.

The permissible aim of the government in such regulations is the prevention of espionage, sabotage, or violent revolution. These regulations, measured by their results, cannot achieve that end. In their effort to do so, they have trenched heavily upon constitutionally protected rights of the citizen. The methodology underlying these regulations is an extensive inquiry into the beliefs and associations of the employee. That the process inevitably interferes with freedom of

thought and association is undeniable. Cf. Watkins v. United States, 354 U.S. 178, 197, 198; United States v. Rumely, 345 U.S. 41, 46. The denial, even of a privilege or bounty, as a penalty for the exercise of rights protected by the First Amendment is constitutionally invalid. Speiser v. Randall, 357 U.S. 513, 518. This danger of infringement of the constitutionally protected rights of the citizen warrants an especial scrutiny of the Industrial Personnel Security Regulations.

The primary test of the validity of the regulations is whether they succeed in achieving the purpose of preventing espionage, sabotage, and revolution, and, as a secondary consideration, whether the cost for the good, if any, accomplished demonstrates that the means are not rationally adapted to the permissible ends.

The underlying philosophy of personnel security regulations is that it is the right and the duty of the government to protect the nation by preventing espionage and sabotage." To a program designed to prevent such acts and concerned with facts from which a reasonable probability of the occurrence of these crimes could be inferred, there could be no challenge. system would not conflict with the rights of any citizen. But this is not the system created by the Industrial Security regulations. The system being judged in this case is a system of preventative security which in its attempt to predict future conduct has menacing overtones of the totalitarianism against which the nation is supposedly being protected; a system which seeks to found its judgments on vague notions of undefined concepts of "subversion"; a system, which as is demonstrated, supra, pp. 29 to 36, has found it necessary to eliminate all of the concepts of fair play which had

been traditional with our democracy; a system which has permitted real spies and saboteurs to escape; a system which has been uniformly condemned by those

30 That there have been cases of espionage in recent years in our country is obvious. But the essential fact is that, even as to those persons who have been accused and convicted of spying, the ideological tests of the security program, and its forerunner, the lovalty program, have not revealed any of these people. The examples are noteworthy. In the forefront, of course, is the case of Julius Rosenberg and those associated with him. These persons were convicted of spying. Rosenberg v. United States, 195 F. 2d 583 (CA 2, 1952). But there was nothing in the examinations under the security programs which revealed their identity. Judith Coplon (United States v. Coplon, 185 F. 2d 629 (CA 2, 1950)) passed the loyalty tests in the Department of Justice. Remington was cleared by a Loyalty Review Board. tiveness of the ideological testing upon which these programs are based is discussed in Brown, Loyalty and Security, 229-231 (Yale University, 1958). Counter-espionage and criminal prosecutions have proved our best weapons against spies. This is demonstrated by Abel v. United States, #263, October Term, 1958. Colonel Abel, of the Soviet espionage agency, was caught by the weapons of counter-espionage. Since he apparently avoided any subversive connections, the Industrial Security program would never have exposed him. There is no evidence that the security programs have exposed any espionage agents. On the contrary, Seth W. Richardson, Chairman of the Loyalty Review Board has stated positively that that program had indicated not a single case of espionage. State Department Employee Loyalty Investigation, Hearings, subcommittee of the Committee on Foreign Relations, Senate 81st Cong., 2d Session, (1950), pt. 1, p. 409. That the loyalty-security cases involve no espionage is confirmed by an examination of the fifty eases collected in Yarmolinsky, Case Studies in Personnel Security, (Washington, 1955) and the thirty cases analyzed in the appendix of the Department of Defense, First Annual Report, Industrial Personnel Security Review Program. Not a single charge in a single one of these cases relates either to espionage or sabotage. All are concerned with ideological sympathies and . associations, except for a small minority which involve dishonesty, criminality or immorality.

who have analyzed it;31 a system which ignores completely the rights of the employee in balance with the legitimate aims of the Government. The Industrial Security regulations depend upon criteria which are impossible of concrete application.32 They lump indiscriminately knowing and unknowing conduct. Cf. Wieman v. Updegraff, 344 U.S. 183. They are incapable of results which can ever be really tested for correctness, because since the affected employee has not in the past been guilty of illegal or immoral conduct, it is simply impossible to verify the security. officer's prediction that he will be guilty in the future. It is a program tremendous in its costs, both in money and in the more important but less tangible aspects of its harm to positive security, its discouragement of scientific and technological advancement, its injury to international standing, its harm to the morale of our people, and most of all, its damage to our national ideals. Report of the Special Committee of the Association of the Bar of the City of New York, The Fed-

³¹ For example, Report of the Commission on Government Security, p. 266, flatly states that the present program of industrial personnel security should be abolished. The report of the Special Committee of the Association of the Bar of the City of New York, The Federal Loyalty-Security Program (New York, 1956) asserts the need of a continued program of this nature, but calls for substantial revisions in the criteria, procedures, and administration of the program.

³² The respondents rely heavily upon the war-time case of Von Knorr v. Miles, 60 F. Supp. 962 (D. Mass. 1943). That case, while it upheld summary procedures in excluding an employee from defense plants, can not be taken as support for the present program. At the out-set, there is a distinction in the fact that the Von Knorr case arose in a time in which the nation was actually at war against an enemy which was known to rely on sabotage, and had sent trained saboteurs to the United States. The considerations which support a governmental action as reasonable in war

eral Loyalty-Security Program, Chapter VII, p. 121 et seq.

A constitutionally acceptable balance between the Industrial Security system and the rights of citizens will never be correctly achieved without the realization that,

The point of departure for a United States security system, . . . is . . . the preservation of the democratic principles and institutions guaranteed by the Constitution. We must set these above all else and permit personnel security, in the popularly understood sense, to exist only so long as these principles and institutions are undamaged by it. If, through a belief in the need for personnel security, we lose our democracy will will have lost it as irretrievably as if we had been conquered in a hot or cold war. In fact, we will have lost the war to communism without the enemy having taken a hand in the conflict.

—Huard, "The Federal Loyalty-Security Program as Seen by the New York City Bar Association," 45 Georgetown Law Journal 223, 231.

If we weigh the temporary safety of secrecy against the dangers to the liberties inherent in our democratic

time are not necessarily present in peace-time, and this Court has noted that what may be reasonable in times of war is quite different from what is reasonable in time of peace. Kent v. Dulles, 357 U.S. 116.

The primary difference however is the fact that the program which was upheld in *Von Knorr* was a specifically limited program. It provided for the discharge of "subversives" from war plants, but the term "subversive" was carefully limited to those cases where there was good cause to suspect an employee of sabotage, espionage, or any other willful activity designed to disrupt the national defense program. The administrative officers were specifically directed not to suspend an employee as a result of idle rumor, normal labor activity, gossip, or anonymous communications. See, Report of the Commission on Government Security, p. 237.

system, the Industrial Personnel Security regulations cost too much in terms of our confidence in our democratic heritage. They supply too little safety for that cost. They do not meet the test of rational relationship to a permissible aim of government.

The irrationality of the proceedings against petitioner can best be seen in a succinct review of the facts.

The charges relate to associations and activities that ended by 1947 (with the single exception of the Currie association continuing into 1948). Petitioner and his former wife, with whom many of the charges are connected, were divorced in 1947. For more than five years afterward petitioner was permitted and encouraged to do classified work for the Government. security status was tested and approved. Petitioner was never charged with any violation of any security rule or regulation. Then, in 1953, he was effectively deprived of his job-and of opportunity to obtain similar employment—on the ground that the associations. and activities which he had concededly discontinued at least five years previously made his future conduct. doubtful despite the objective evidence of loval, perfeetly secure service for the Government in the intervening years.

CONCLUSION

For the foregoing reasons, the judgment of the Court of Appeals should be reversed, and the District Court should be directed to declare the order of Secretary Anderson to be invalid.

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APPENDIX A

STATUTES, EXECUTIVE ORDERS, AND REGULATIONS

Statutes

Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C. 55 151-161:

- 151 (c) All purchases and contracts for supplies and services shall be made by advertising, as provided in section 152 of this title, except that such purchases and contracts may be negotiated by the agency head without advertising if—
- (1) determined to be necessary in the public interest during the period of a national emergency declared by the President or by the Congress; • •
- (12) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed; • •
- 153 * * Except as provided in subsection (b) of this section, contracts negotiated pursuant to section 151 (c) of this title may be of any type which in the opinion of the agency head will promote the best interests of the Government. * * *

5 U.S.C., § 22, R.S. § 161, as amended, Public Law 85-619, 72 Stat. 547:

The head of each department is authorized to prescribe regulations, not inconsistent with law, for the government of his department, the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it. This section does not authorize withholding information from the public or limiting the availability of records to the public.

Internal Security Act of 1950, Public Law 831, ch. 1024, 64 Stat. 989, 50 USC 58 781-798:

Sec. 3. For the purposes of this title-

- (3) The term "Communist-action organization" means—
 - (a) any organization in the United States (other than a diplomatic representative or mission of a foreign government accredited as such by the Department of State) which (i) is substantially directed, dominated, or controlled by the foreign government or foreign organization controlling the world Communist movement referred to in section 2 of this title, and (ii) operates primarily to advance the objectives of such world Communist movement as referred to in section 2 of this title; and
 - (b) any section, branch, fraction, or cell of any organization defined in subparagraph (a) of this paragraph which has not complied with the registration requirements of this title.
- (4) The term "Communist-front organization" means any organization in the United States (other than a Communist-action organization as defined in paragraph (3) of this section) which (A) is substantially directed, dominated, or controlled by a Communist-action organization, and (B) is primarily operated for the purpose of giving aid and support to a Communist-action organization, a Communist foreign government, or the world Communist movement referred to in section 2 of this title.
- Sec. 5. (a) When a Communist organization, as defined in paragraph (5) of section 3 of this title, is registered or there is in effect a final order of the Board requiring such organization to register, it shall be unlawful—

- (1) For any member of such organization, with knowledge or notice that such organization is so registered or that such order has become final—
 - (A) in seeking, accepting, or holding any nonelective office or employment under the United States, to conceal or fail to disclose the fact that he is a member of such organization; or
 - (B) to hold any nonelective office or employment under the United States; or
 - (C) in seeking, accepting, or holding employment in any defense facility, to conceal or fail to disclose the fact that he is a member of such organization; or
 - (D) if such organization is a Communist-action organization, to engage in any employment in any defense facility.
- (2) For any officer or employee of the United States. or of any defense facility, with knowledge or notice that such organization is so registered or that such order has become final—
 - (A) to contribute funds or services to such organization; or
 - (B) to advise, counsel or urge any person, with knowledge or notice that such person is a member of such organization, to perform, or to omit to perform, and act if such act or omission would constitute a violation of any provision of subparagraph (1) of this subsection.

Administrative Procedure Act, Act of June 11, 1946, ch. 324, 60 Stat. 240-243, 50 U.S.C., §§ 1004, 1005, 1006, 1009;

Sec. 5. In every case of adjudication required by statute to be determined on the record after opportunity for an agency hearing, except to the extent that there is involved (1) any matter subject to a subsequent trial of the law and the facts de novo in any court; (2) the selection or tenure of an officer or employee of the United States other than examiners appointed pursuant to section 11; (3) proceedings in which decisions rest solely on inspections, tests, or elections; (4) the conduct of military, naval, or foreign affairs functions; (5) cases in which an agency is acting as an agent for a court; and (6) the certification of employee representatives—

hearing shall be timely informed of (1) the time, place, and nature thereof; (2) the legal authority and jurisdiction under which the hearing is to be held; and (3) the matters of fact and law asserted. In instances in which private persons are the moving parties, other parties to the proceeding shall give prompt notice of issues controverted in fact or law; and in other instances agencies may by rule require responsive pleading. In fixing the times and places for hearings, due regard shall be had for the convenience and necessity of the parties or their representatives.

Sec. 6. Except as otherwise provided in this Act-

(e) Subpens.—Agency subpens authorized by law shall be issued to any party upon request and, as may be required by rules of procedure, upon a statement or showing of general relevance and reasonable scope of the evidence sought. Upon contest the court shall sustain any such subpens or similar process or demand to the extent that it is found to be in accordance with law and, in any proceeding for enforcement, shall issue an order requiring the appearance of the witness or the production of the evidence or data within a reasonable time under penalty of punishment for contempt in caseof contumacious failure to comply.

- Sec. 7. In hearings which section 4 or 5 requires to be conducted pursuant to this section—
- (a) Presiding officers.—There shall preside at the taking of evidence (1) the agency, (2) one or more members of the body which comprises the agency, or (3) one or more examiners appointed as provided in this Act; but nothing in this Act shall be deemed to supersede the conduct of specified classes of proceedings in whole or part by or before boards or other officers specially provided for by or designated pursuant to statute. The functions of all presiding officers and of officers participating in decisions in conformity with section 8 shall be conducted in an impartial Any such officer may at any time withdraw if he deems himself disqualified; and, upon the filing in good faith of a timely and sufficient affidavit of personal bias or disqualification of any such officer, the agency shall determine the matter as a part of the record and decision in the case.
- (b) Hearing powers.—Officers presiding at hearings shall have authority, subject to the published rules of the agency and within its powers, to (1) administer oaths and affirmations, (2) issue subpenas authorized by law, (3) rule upon offers of proof and receive relevant evidence, (4) take or cause depositions to be taken whenever the ends of justice would be served thereby, (5) regulate the course of the hearing, (6) hold conferences for the settlement or simplification of the issues by consent of the parties, (7) dispose of procedural requests or similar matters, (8) make decisions or recommend decisions in conformity with section 8, and (9) take any other action authorized by agency rule consistent with this Act.
- (c) EVIDENCE.—Except as statutes otherwise provide, the proponent of a rule or order shall have the burden of proof. Any oral or documentary evidence may be received, but every agency shall as a matter of policy provide for the exclusion of irrelevant, immaterial, or unduly repeti-

tious evidence and no sanction shall be imposed or rule or order be issued except upon consideration of the whole record or such portions thereof as may be cited by any party and as supported by and in accordance with the reliable, probative, and substantial evidence. Every party shall have the right to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts. In rule making or determining claims for money or benefits or applications for initial licenses any agency may, where the interest of any party will not be prejudiced thereby, adopt procedures for the submission of all or part of the evidence in written form.

(d) Record.—The transcript of testimony and exhibits, together with all papers and requests filed in the proceeding, shall constitute the exclusive record for decision in accordance with section 8 and, upon payment of lawfully prescribed costs, shall be made available to the parties. Where any agency decision rests on official notice of a material fact not appearing in the evidence in the record, any party shall on timely request be afford an opportunity to show the contrary.

Sec. 10. Except so far as (1) statutes preclude judicial review or (2) agency action is by law committed to agency discretion—

⁽a) RIGHT OF REVIEW.—Any person suffering legal wrong because of any agency action, or adversely affected or aggrieved by such action within the meaning of any relevant statute, shall be entitled to judicial review thereof.

⁽b) FORM AND VENUE OF ACTION.—The form of proceeding for judicial review shall be any special statutory review proceeding relevant to the subject matter in any court specified by statute or, in the absence of inadequacy

thereof, any applicable form of legal action (including actions for declaratory judgments or writs of prohibitory or mandatory injunction or habeas corpus) in any court of competent jurisdiction. Agency action shall be subject to judicial review in civil or criminal proceedings for judicial enforcement except to the extent that prior, adequate, and exclusive opportunity for such review is provided by law.

(e) Score of REVIEW .- So far as necessary to decision and where presented the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of any agency action. It shall (A) compel agency action unlawfully withheld or unreasonably delayed; and (B) hold unlawful and set aside agency action, findings, and conclusions found to be (1) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; (2) contrary to constitutional right, power, privilege, or immunity; (3) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right; (4) without observance of procedure required by law: (5) unsupported by substantial evidence in any case subject to the requirements of sections 7 and 8 or otherwise reviewed on the record of an agency hearing provided by statute; or (6) unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court. In making the foregoing determinations the court shall review the whole record or such portions as may be cited by any party, and due account shall be taken of the rule of prejudicial error.

Executive Orders

Executive Order 10290, September 27, 1951, 16 Fed. Reg. 9795:

30 (b) Outside the Executive Branch. Classified security information shall not be disseminated outside the Executive Branch by any person or agency having access there-

to or knowledge thereof except under conditions and through channels authorized by the head of the disseminating agency, even though such person or agency may have been solely or partly responsible for its production.

Regulations

Industrial Personnel and Facility Security Clearance Program, OPNAVNOTE 5510, May 4, 1953.

SECTION I

GENERAL

3. Policy.

a. While the military departments will assume, unless information to the contrary is received, that all of their contractors and contractor employees are loyal to the Government of the United States and that granting a clearance would not endanger national security, the vital role of the military departments in national defense necessitates vigorous application of policies designed to minimize the security risk incident to the use of classified security information by such contractors and contractor employees. Therefore, adequate measures will be taken to provide continuing assurance that no contractor or contractor emplovee will be granted a clearance if available information indicates that the granting of such clearance may not be clearly consistent with the interests of national security. At the same time, every possible safeguard within the limitations of national security will be provided to assure that no contractor or contractor employee will be denied a clearance without an opportunity for a fair hearing.

SECTION III

STANDARD AND CRITERIA

- 11. Standard for Denial of Clearance. The Standard for the denial of clearance shall be that, on all the information, the granting such clearance is not clearly consistent with the interests of national security.
 - 12. Criteria for Application of Standard in Cases Involving Individuals.
- a. The activities and associations listed below which may be the basis for denial of clearance are of varying degrees of seriousness. Therefore the ultimate determination of whether clearance should be granted must be an over-all common-sense one, based on all available information.
- (1) Commission of any act of sabotage, espionage, treason, or sedition, or attempts thereat or preparation therefor, or conspiring with, or aiding or abetting, another to commit or attempt to commit any act of sabotage, espionage, treason, or sedition.
- (2) Establishing or continuing a sympathetic association with a saboteur, spy, traitor, seditionist, anarchist, or revolutionist, or with an espionage or other secret agent or representative of a foreign nation, or any representative of a foreign nation whose interests may be inimical to the interests of the United States, or with any person who advocates the use of force or violence to overthrow the government of the United States or the alteration of the form of government of the United States by unconstitutional means.
- (3) Advocacy of use of force or violence to overthrow the government of the United States, or of the alteration of the form of government of the United States by unconstitutional means.
- (4) Membership in, or affiliation or sympathetic association with, any foreign or domestic organization, asso-

ciation, movement, group, or combination of persons which is totalitarian, Fascist, Communist, or subversive, or which has adopted, or shows, a policy of advocating or approxing the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States, or which seeks to alter the form of government of the United States by unconstitutional means.

- (5) Intentional, unauthorized disclosure to any person of security information, or of other information disclosure of which is prohibited by law.
- (6) Performing or attempting to perform his duties, or otherwise acting so as to serve the interests of another government in preference to the interests of the United States.
- (7) Participation in the activities of an organization established as a front for an organization referred to in subparagraph (4) above when his personal views were sympathetic to the subversive purposes of such organization.
- (8) Participation in the activities of an organization with knowledge that it had been infiltrated by members of subversive groups under circumstances indicating that the individual was a part of or sympathetic to the infiltrating element or sympathetic to its purposes.
- (9) Participation in the activities of an organization referred to in subparagraph (4) above, in a capacity where he should reasonably have had knowledge of the subversive aims or purposes of the organization.
- (10) Sympathetic interest in totalitarian, Fascist, Communist, or similar subversive movements.
- (11) Sympathetic association with a member or members of an organization referred to in subparagraph (4) above. (Ordinarily this will not include chance or occasional meetings, nor contacts limited to normal business or official relations.)

- (12) Currently maintaining a close continuing association with a person who has engaged in activities of associations of the type referred to in subparagraphs (1) through (10) above. A close continuing association may be deemed to exist if the individual lives at the same premises as, frequently visits, or frequently communicates with such person.
- (13) Close continuing association of the type described in subparagraph (12) above, even though later separated by distance, if the circumstances indicate that renewal of the association is probable.
- (14) Willful violation or disregard of security regulations.
- (15) Any behavior, activities, or associations which tend to show that the individual is not reliable or trustworthy.
- (16) Any deliberate misrepresentations, falsifications, or omission of material facts from a Personal Security Questionnaire, Personal History Statement, or similar document.
- (17) Any criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, habitual use of intoxicants to excess, drug addiction, or sexual perversion.
- (18) Acts of a reckless, irresponsible or wanton nature which indicate such poor judgment and instability as to suggest that the individual might disclose security information to unauthorized persons or otherwise assist such persons, whether deliberately or inadvertently, in activities inimical to the security of the United States.
- (19) An adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure.
- (20) Any facts which furnish reason to believe that the individual may be subjected to coercion, influence, or pres-

sure which may cause him to act contrary to the best interests of the national security.

- (21) The presence of a spouse, parent, brother, sister, or offspring in a nation whose interests may be inimical to the interests of the United States, or in satellites or occupied areas of such a nation, under circumstances permitting coercion or pressure to be brought on the individual through such relatives.
- b. Legitimate labor activities shall not be considered in determining whether clearance should be granted.
- 13. Criteria for Application of Standard in Cases Incolving Contractors. The granting of a clearance to a contractor should not be clearly consistent with the interests of national security if the clearance of an officer, director, owner or key employee of the contractor who is required to be cleared in connection with a facility security clearance has been or would be denied under the standard and criteria contained in paragraphs 11 and 12 above.

SECTION IV

PROCESSING OF CASES

- 16. Initial Adjudication Procedures (Screening Division Action).
- c. If the Screening Division determines unanimously that a clearance should be granted, it will prepare its finding in the form set forth in paragraph 20d, substituting the word "Screening" for "Appeal." The Executive Secretary will notify the agency which forwarded the ease to him of the decision and instruct it to grant the clearance. In the event such unanimity cannot be reached, action will be taken in accordance with subparagraph d below.

d. If the Screening Division concludes on the basis of the entire file and in accordance with the standard and criteria set forth in Section III that the case does not war! rant, a security finding favorable to the contractor or contractor employee, it will, in collaboration with the Security Advisor and the Legal Advisor, prepare a notice of proposed denial or revocation of clearance and a Statement of Reasons which will be as specific and detailed as, in the opinion of the Screening Division, security considerations permit, in order to provide the contractor or contractor employee with sufficient information to prepare a reply. The notice will also forward to the contractor or contractor employee a copy of this directive and will inform him of his right within 10 calendar days from the date of his receipt of the notice, to reply to the Statement of Reasons in writing under oath or affirmation, together with such statements, affidavits or other documentary evidence as he may desire to submit.

18. Action by the Appeal Division.

- c. Whenever the contractor or contractor employee requests a hearing within the time specified, the Appeal Division will set a time and place for the hearing and will request the Executive Secretary to notify him thereof. The hearing will be held as soom as practicable allowing the contractor or contractor employee a reasonable time to prepare his case and obtain witnesses if desired.
- d. Each individual case file referred to an Appeal Division will be studied, prior to the hearing, by each Division member who is to participate in the hearing and in the determination of the case. In this way, Division members will be able to conduct the hearing in an intelligent manner by being informed in advance of the facts giving rise to the case, and thereby become aware of those areas which will require exploration and explanation at the time

of the hearing. However, it must be borne in mind constantly when studying the file prior to the hearing that the investigative reports, Statements of Reasons, and other information in the file may represent only one side of the case, and that the employee has not, as yet, introduced his entire defense. Accordingly, Division members should not form any premature conclusions as to the eventual determination of the case.

e. The Appeal Division may, on its own motion, request the attendance of such witnesses as it deems appropriate. Invitations should state the time and place where the hearing will be held and that the Government cannot pay witness fees or reimbursement for travel or other expenses.

19. Conduct of Hearings.

- a. Hearings are designed to accomplish two major purposes: (1) to permit the contractor or contractor employee to present evidence in his behalf and (2) to give the Appeal Division an opportunity to consider all available information and make searching inquiry to aid it in reaching a fair and impartial determination. Accordingly, such hearings are not to be conducted with the formality of a court proceeding! Rather, the hearings will be conducted as administrative inquiries held for the purpose of affording the contractor or contractor employee an opportunity to be heard and to permit the Appeal Division to inquire fully the matters related to the particular case.
 - b. The Security Advisor will be present at the hearing to furnish advice to the Appeal Division and to assist it in making certain that the record is complete. He may interrogate witnesses who appear before the Division, but he is in no sense a prosecutor and will not conduct himself as such. In the discretion of the Division, the Security Advisor and the Legal Advisor may attend executive sessions

of the Division, but they will not attend the executive session at which the Division arrives at its final finding and determination.

- c. Hearings will be conducted in an orderly manner and in a serious atmosphere of dignity and decorum. They may be attended only by the members of the Division participating in the hearing, the contractor or contractor employee and his counsel or representative, the Legal Advisor, other authorized government personnel, and such witnesses as the Government or the contractor or contractor employee desires to introduce. The contractor or the contractor employee and his counsel or representative may be present throughout the hearing. Usually a witness may be present only when he is actually testifying.
- d. The Appeal Division may consider any information either oral or written, which, in the minds of reasonable men, is of probative value to determine the issue involved. Strict rules of evidence will not be followed, but reasonable bounds with respect to relevancy, materiality and competency will be maintained. Every reasonable effort will be made to obtain the best information available. Hearsay matter may be admitted without regard to technical rules of admissability and accorded such weight as the circumstances warrant.
- e. Hearings will be called to order by the Chairman, who will make an opening statement substantially as follows:
 - "The Appeal Division of the (Eastern-Central-Western) Industrial Personnel Security Board established by order of the Secretaries of the Army, Navy, and Air Force is now ready to proceed with the hearing in the case of (name of contractor or contractor employee). This is not a court of law and strict rules of evidence and court procedures are not followed. This is an administrative hearing held for the purpose of affording you an opportunity to be heard and to permit the Division to inquire fully into the matters related to your case. You have the right to participate

other representative and to present witnesses in your behalf. You can assist the Division in arriving at a fair and just determination in your case by giving full and frank answers to all questions the Division may have and by confining your attention to matters related to your case. The transcript to be made of this hearing will not include all material in the file of the case in that it will not include reports of investigation conducted by the Federal Bureau of Investigation or other investigative agencies which are confidential. Neither will it contain information concerning the identity of confidential informants or information which will reveal the source of confidential evidence. The transcript will contain only the Statement of Reasons, your answer thereto, and the testimony actually taken at this hearing."

f. Following the opening statement, the Chairman will read the Statement of Reasons and inform the contractor or contractor employee that if he so desires he may make any statement he wishes and introduce any witnesses in his behalf. Statements by the contractor or contractor employee and all testimony of witnesses must be made under oath or affirmation administered in the following manner:

"Do you, (name of employee or witness) solemnly (swear) (affirm) that the testimony you are about to give in the case now in hearing shall be the truth, the whole truth, and nothing but the truth, (so help you God)?"

g. Appeal Divisions are directed to conduct proceedings in such manner as to protect from disclosure classified security information or information tending to compromise investigative sources or methods. The Division should give the contractor or contractor employee the fullest possible opportunity, consistent with security considerations, to explain or refute decogatory information contained in the investigative reports, but it is imperative

that proposed lines of questioning be considered carefully in the light of security principles.

h. Subsequent to the statement of the contractor or contractor employee and the introduction of such witnesses as he may desire, the hearing will proceed as directed by the Division. The Division may recess the hearing at any time and meet in executive session. No transcript of an executive session will be made as such session is not considered a part of the hearing. Before the Division adjourns the hearing it should ask the contractor or contractor employee whether he desires additional time to secure and present evidence. He will present such additional evidence at such time as the Division directs. Usually such evidence will be in affidavit or documentary form.

- i. A verbatim transcript will be made of the hearing by qualified reporters and the transcript will be made a permanent part of the record. The contractor or contractor employee will be turnished a copy of the transcript, less hibits, without cost if he, or his counsel or representative, requests it. The transcript will be reviewed by the Division in collaboration with the Security Advisor, prior to release to insure that it contains no classified security information.
- j. If the contractor or contractor employee or his counsel or representative desires to submit corrections in the transcript to the Division, he will note the corrections on a separate statement, designating the page and line. The statement of corrections must be filed within the time set by the Division. The Division will determine what corrections are allowable, will enter upon the transcript by marginal notation the corrections which are allowed, and will enter on the statement filed by the contractor or contractor employee the corrections which are rejected. This statement will be made a part of the original transcript so that it may be a permanent part of the record. The Division in its discretion may call upon the contractor or

contractor employee, his counsel or representative, for a discussion of the corrections prior to its determination thereon. Corrections will be allowed solely for the purpose of conforming the transcript to the actual testimony.

20. Appeal Division Determination.

- a. As promptly as possible after the hearing, and after full consideration of the complete file, including all evidence, arguments, briefs, testimony and discussions in each case, the Division will meet in executive session and reach its determination under the standard and criteria set forth in Section III.
- b. The determination will be reached by majority vote, will be recorded in writing, signed by the members, and will be made a permanent part of the record in each case. If a minority opinion is given, it will also be made a part of the permanent record.
- c. The determination will include a finding with respect to each of the statements set forth in the Statement of Reasons.
- d. The findings will also include any other statements pertinent to the determination of the case, and a statement in the following form:
 - "The Appeal Division determines that, on all the available information, the granting of clearance to for access to classified security information is (is not) clearly consistent with the interests of national security."
- e. Decisions of the Appeal Division shall be final, subject only to reconsideration on its own motion or at the request of the appellant for good cause shown or at the request of the Secretary of any military department.

APPENDIX B

ANALYSIS OF SWORN TESTIMONY AND CONTEMPORANEOUS DOCUMENTS RELATING TO REASONS ADVANCED BY EASTERN INDUSTRIAL PERSONNEL BOARD AS GROUNDS FOR DENYING CLEARANCE TO WILLIAM LEWIS GREENE.

- I. Reasons arising out of Greene's attempt to interest military officials attached to the Soviet Embassy in the products of his company.
 - 9. During 1943 SUBJECT was in contact with Col. Alexander Hess of the Czechoslovak Embassy, who has been identified as an agent of the Red Army Intelligence.
- FACTS WHICH REFUTE ANY ADVERSE INFERENCE FROM THIS CHARGE:
 - A. The board apparently abandoned this charge, as there is no adverse finding based upon it. (R. 23, 24)
 - B. The security officer admitted that Greene's testimony with reference to Hess was in accordance with the material contained in his file. (R. 422, 425)
 - C. Hess, a confident of the Benes government of Czechoslovakia, fled when the Communists assumed power in that country, and was admitted to the United States as a political refugee. He is now employed by Pan-American Airlines. (R. 260).
 - D. Greene met Colonel Alexander Hess, then military attache of the Czech free government in exile, at a dinner arranged by Henri Hochfeld, an employee of ERCO for the purpose of having Hess introduce Greene to Colonel Berezin, the assistant military attache for air of the Soviet Embassy. (R. 82, 259, 260).

7. Beginning about 1942 and continuing for several years thereafter SUBJECT maintained sympathetic association with various officials of the Soviet Embassy: including Major Constantine I. Ovchinnikov, Col. Pavel F. Berezin, Major Pavel N. Asseev, Col. Ilia M. Saraev, and Col. Anatoly Y. Golkovsky.

FACTS WHICH REFUTE ANY ADVERSE FINDINGS FROM THIS CHARGE:

A. Greene never met Major Ovchinnikov. (R. 87, 263, 264) His testimony in this respect is corroborated by an examination of The Diplomatic Lists, which show this name for the first time in February, 1940, and for the last time in July, 1941. Greene's testimony that the first contact with any Soviet diplomat occurred late in 1942 (R. 422) was challenged by the security officer, who stated that the first meeting occurred early in 1943. (R. 422). In either event, Ovchinnikov was no longer in the United States.

C. The social meetings with these diplomats were of the most formal kind. (R. 64, 65, 82-86, 260-263).

D. The sole purpose of the meetings was the hope of selling the Soviet the Schwartz propeller (R. 64) after it was rejected by the United States military departments. (R. 64, 247, 248). Greene also attempted to make sales to the Chinese Nationalist government (R. 248) and the Pertuguese government. (R. 424). Greene's testimony is at least partially corroborated by that of Dr. Juliana Day. (R. 228).

E. The social affairs to which Greene was invited were attended by many notables who cannot possibly be accused of Communist sympathies. (R. 86, 264, 265). See also, "Foreign Minister Molotov Steals Show at Celebration," The Evening Star. November 8, 1946, p. B-3. This newspaper report indicates that among the guests was Mr. Justice, then Attorney General, Clark.

G. Greene was entitled to additional compensation for sales. (R. 247). His testimony was corroborated by that of Colonel Henry A. Berliner. (R. 309).

H. Greene's superiors knew of and encouraged his attempt to sell the propeller to the Soviet, (Testimony of L. A. Wells, R. 146, 251; Testimony of Colonel Henry A. Berliner, R. 73, 74, 310-312) which had been a substantial customer of ERCO. (Testimony of L. A. Wells, R. 146; Testimony of Colonel Berliner, R. 75, 309).

- II. Reasons relating to asserted associations with named persons, which associations were ordinary business relationships specifically excluded from the purview of the regulations. (§12a(11), supra p. 10a)
 - 12. During the period between 1942 and 1947 SUBJECT maintained frequent and close associations with many Communist party members, including Richard Sasuly and his wife Elizabeth . . .
 - 13. During substantially the same period SUBJECT maintained close association with many persons who have been identified as strong supporters of the Communist conspiracy, including Samuel J. Rodman. . . .
 - 8. During 1946 and 1947 SUBJECT had frequent sympathetic association with Dr. Vaso Syrzentic of the Yugoslav Embassy. Dr. Syrzentic has been identified as an agent of the International Communist Party.

FACTS WHICH REFUTE ANY ADVERSE INFERENCE FROM THESE CHARGES:

A. The board has apparently abandoned the charge as to Dr. Srzentic, the commercial attache of the Jugoslav Embassy, as there is no adverse finding based upon it. (R. 23, 24).

B. Greene met Sasuly originally because Sasuly was Jean Hinton Greene's superior at the Department of Agriculture. (R. 60, 236). The families saw each other infrequently. (R. 60, 94, 236). Greene and Sasuly were not particularly friendly. (R. 95, 236).

C. At a cocktail party, Greene learned of General Homes, which was engaged in the building of a pre-fabricated house. He believed that he could secure some consulting work for himself, while at the same time, selling ERCO products, because of his familiarity with handling aluminum. (R. 95, 236). He sought Sasuly's aid in securing this work, and to compensate Sasuly for this help, a partnership which

lasted from February to July, 1947, was formed. (R. 237) Greene's testimony was corroborated by the partnership agreement and the letter of termination of the partnership. (R. 239). The strictly business nature of this association is confirmed by the correspondence introduced in evidence, (R. 240), and by the testimony of Clements. (R. 387).

D. Samuel Rodman was interested in General Homes and Greene met him in that connection only. (R. 119, 239) It is, however, possible that Greene also met Rodman in connection with the affairs of Radio Station WQQW, since both were stockholders. (R. 432).

D. Greene met Srzentic only once, a meeting arranged by Sasuly in an effort to sell engineering services. (R. 98, 99, 241, 417-419).

11. SUBJECT had a series of contacts with Laughlin [sic] Currie during the period 1945-1948.

FACTS WHICH REFUTE ANY ADVERSE INFERENCE FROM THIS CHARGE:

A. At the time that Greene met Dr. Currie, the latter was a special assistant to the President of the United States. (R. 224).

B. Currie, who was about to become the manager of an investment trust, needed the services of an engineer who could evaluate potential investments, (R. 223) and employed Greene at the rate of \$100 a day for such work. (R. 224).

C. That all of the relationship between Greeme and Currie was in connection with this consulting work is corroborated by the correspondence between Greene and Currie introduced in evidence, (R. 226) and by the testimony of Clements. (R. 387, 388).

D. Dr. Currie offered Greene regular employment, (R. 224), but this employment was refused by Greene. (R. 225).

E. Dr. Currie was specifically stated by Miss Elizabeth.

under oath, at least twice, that he was a Communist, or that he participated in any espionage. "Hearings Regarding Communist Espionage in the United States Government," Hearings before the Committee on Un-American Activities, House of Representatives, 80th Congress, 2d Session, July 31, 1948, p. 519, August 13, 1948, p. 853.

F. The Currie relationship was apparently regarded as of no significance by the hearing board in the first proceedings, since no mention was made of it, although obviously this information was available to that board.

III. Reasons arising out of the associations connected with the marriage to Jean Hinton Greene.

- A. The marriage relation itself:
 - SUBJECT'S first wife, Jean Hinton Greene, to whom he was married from approximately December 1942 to approximately December 1947, was an ardent-Communist during the greater part of the period of the marriage.
 - 4. Many apparently reliable witnesses have testified that during the period of SUBJECT'S first marriage his personal political sympathies were in accord with those of his wife, in that he was sympathetic towards Russia; followed the Communist Party "line"; presented "fellow-traveller" arguments; was apparently influenced by "Jean's wild theories"; etc.

FACTS WHICH REFUTE ANY ADVERSE INFERENCE FROM THESE CHARGES:

- A. Although the point may seem technical, it should be pointed out that these paragraphs reflect the gross inaccuracy of the security officers. No one has "testified" to these things. What is referred to as "testimony" is in fact the unsworn hearsay of unidentified persons, as reported by one or more investigators.
- B. Allegations which use such terms as Communist Party line, fellow-traveller arguments, and Jean's wild theories, etc., are on their face so vague that it is impossible to prove or disprove them. Except as they constitute epithets, these terms are simply without semantic content.

C. Nothing in this record supports the charge that Jean Hinton Greene was an ardent Communist. Three witnesses, Greene, Dr. Juliana Day, and Dr. Marjorie Greenberg, testified that there was nothing which, at the time, indicated that Jean Hinton Greene was a Communist. (R. 403, 231, 373, 374). Nothing mentioned by the security officer supports the conclusior necessarily, that Jean had any Communist sympathies. The testimony shows that many of the witnesses characterized her as "radical" but the only specification of her radicalism was her interest in labor unions. (See, e.g., Testimony of Colonel Berliner, R. 312). Cf. Regulations, ¶ 12(21)(b), Supra, p. 12a. One informant is said to have referred to Jean Hinton Greene as a "parlor pink" (R. 410). Nor should the reference (R. 282) to the supposed information that there were no mattresses in the Greene house be unmentioned. Unfortunately, slipped discs and the necessity of using a bedboard (R. 379) are not ailments confined to ardent Communists:

D. There is no possibility of any intelligent and rational person concluding, in the face of the over-whelming corroboration of Greene's testimony (R. 218, 221, 436-438) that there was political disagreement between him and Jean Hinton Greene. Jean's letter (R. 231), and the testimony of Clements, (R. 154, 155, 385, 386) Mountjoy, (R. 166, 354, 355), Colonel Berliner, (R. 76, 313, 314), and Dr. Marjorie Greenberg (R. 370, 371) confirm this testimony. Even the board's alleged informant, while supposedly asserting that Greene had once agreed with his former wife, is said to have reported a complete change in viewpoint. (R. 410, 411).

FACTS WHICH REFUTE ANY ADVERSE INFERENCE FROM THIS CHARGE:

A. All of these publications were inquired about in the first hearing. (R. 62, 132, 133). In addition, this board

^{3.} During the period of SUBJECT's first marriage he and his wife had many Communist publications in their home, including the "Daily Worker"; "Soviet Russia Today"; "In Fact"; and Karl Marx's "Das Kapital."

inquired about "Militant", "Fourth International", and "The New Masses." Both the first and second board obviously believed Greene's testimony that he was unfamiliar with these publications. (R. 133).

- B. Greene presently subscribes to none of these publications. They have not been in his house for at least twelve years.
- C. A complete list of the books owned by the Greené family was submitted to the second board as an exhibit prepared by Mrs. Evan Fisher, where the books were stored. (R. 396, 397). Since this complete list is in the possession of the military departments, it may be assumed that any questionable or proscribed ones would have been mentioned in the findings of the board.
- D. In discussing the "Daily Worker" (R. 404), the security officer quoted "Investigation of Un-American Propaganda Activities in the United States, Appendix, Part IX, "Special Committee on Un-American Activities, House of Representatives, 78th Congress, 2d Session (1944), p. 678. Possibly his over-sight caused him to neglect to mention that the same report, ibid., p. 679, called attention to the fact that on August 14, 1944, which was about the time that Greene was supposed to have seen the "Daily Worker", the paper carried, with his consent, a letter of praise written by then United States Senator Harry S. Truman.
- B. Associations which occurred as a result of the marriage to Jean Hinton Greene:
 - 10. During 1946 and 1947 SUBJECT maintained close and sympathetic association with Mr. and Mrs. Nathan Gregory Silvermaster and William Ludwig Ullman. Silvermaster and Ullman have been identified as members of a Soviet Espionage Apparatus active in Washington, D. C., during the 1940's.
 - 12. During the period between 1942 and 1947 SUBJECT maintained frequent and close associations with many Communist Party members, including Richard Sasuly and his wife Elizabeth [discussed supra, p. 21a-22a], Bruce Waybur and his wife Miriam, Martin Popper, Madeline L. Donner, Russell Nixon and Isadore Salkind.

13. During substantially the same period SUBJECT maintained close association with many persons who have been identified as strong supporters of the Communist conspiracy, including Samuel J. Rodman [discussed, supra, p. 22a]. Shura Lewis, Owen Lattimore, Ed Fruchtman, and Virginia Gardner.

FACTS WHICH REFUTE ANY ADVERSE INFERENCES FROM THESE CHARGES:

A. The first board obviously accepted Greene's testimony as to his relationship with these persons. The second board appears to have accepted his testimony with respect to Owen Lattimore, Ed Fruchtman, and Virginia Gardner, since these people are not mentioned in the findings. (R. 23, 24).

B. All of these people were persons whom Jean Hinton Greene met, primarily in connection with her employment at the Department of Agriculture. All of them had positions of prestige in the Community. (R. 59, 116, 200, 210, with regard to Waybur; R. 105, 211, with regard to Popper; R. 112, 213, 214, with regard to Nixon; R. 114, 214, with regard to Salkind; R. 117, 118, 214, 215, with regard to Shura Lewis; Silvermaster & Ullman, R. 101-104, 201-203; 384; 385; 425-429)

C. Greene knew none of these people before his marriage to Jean Hinton Greene. (R. 115, 205). Even during the marriage, these were not friends of Greene himself, as is confirmed by the testimony of Dr. Marjorie Greenberg and Clarence J. Clements, Jr. (R. 368, 369, 384).

D. Greene has seen none of these people for almost twelve years. (R. 205). The acquaintanceships, casual as they were, ended with the termination of the marriage to Jean. (R. 205). This testimony is corroborated by the testimony of the present Mrs. Greene, (R. 394, 395) Burgess, (R. 331), and Hubbard. (R. 341).

IV. Reasons relating to organizational relationships charged to Greene personally.

 During 1942 SUBJECT was a member of the Washington Book Shop Association, an organization that has been officially cited by the Attorney General of the United States as Communist and subversive.

FACTS WHICH REFUTE ANY ADVERSE INFERENCE FROM THIS CHARGE:

A. Greene paid dues of one dollar for one year in order to secure a patronage discount in connection with the purchase of books and records. (R. 126, 204 et seq.)

B. He never rejoined the Bookshop after this first year. (R. 204).

- C. The attorney general, in his memorandum of reasons for citing the Book Shop took account of the fact that it was a commercial enterprise and said, "In view of its nature, investigations of charges of participation in the Washington Cooperative Book Shop have been restricted to exclude mere patrons or subscribers and to include only those fairly charged with participation in its management." Reprinted in "Un-American Propaganda Activities, Appendix IX," Special Committee on Un-American Activities, "House of Representatives, 78th Congress, 2d session, p. 1675. Under this definition, Greene was not a member of the Book Shop.
 - 5. In about 1946 SUBJECT invested approximately \$1000. in the Metropolitan Broadcasting Corporation and later became a director of its Radio Station WOQW. It has been reliably reported that many of the stockholders of the corporation were Communists or pro-Communists and that the news coverage and radio programs of Station WOQW frequently paralleled the Communist Party "line."

FACTS WHICH REFUTE ANY ADVERSE INFERENCE FROM THIS CHARGE:

A. The station was intended to provide broadcasting of classical music with a minimum of advertising. Greene believed that such a station was needed and would be successful financially. (R. 243, 244). He served as a

director of the corporation from the early part of 1947 to the summer of 1947. (R. 244).

- B. A photostatic copy of the list of stockholders at the time Greene was connected with the station was filed as an Exhibit in the second hearing. There has been no specification as to which of these persons are allegedly Communist or pro-Communist.
- C. The news coverage was supplied by the Associated Press, (R. 415).
- D. The source of the characterization of the station as pro-Communist is revealed by the security officer to have been "Rankin and Bilbo." (R. 439).
 - 6. On 7 April 1947 SUBJECT and his wife Jean attended the Third Annual Dinner of the Southern Conference for Human Welfare, an organization that has been officially cited as a Communist front.

FACTS WHICH REFUTE ANY ADVERSE INFERENCE FROM THIS CHARGE:

- A. The "official citation" to which reference is made is "Report on Southern Conference for Human Welfare," Investigation of Un-American Activities in the United States, Committee on Un-American Activities, House of Representatives, 80th Congress, 1st Session, June 16, 1947, Report No. 592.
- B. Greene's only connection with this organization was the attending of the dinner meeting, although there is a possibility that he might have attended two of these meetings and not one. (R. 242).
- C. The description of the statements made at the 1947 dinner, as quoted by the security officer from the House Committee report, supra, at p. 10, is at complete divergence with the contemporaneous report of the meeting which appeared in The Evening Star the following day. "Welfare Conference Warned of Forces Fighting Demo-

eracy," The Evening Star, April 8, 1947, p. B-3. Greene's recollection of the meeting (R. 92) is in substantial agreement with the report in the Evening Star. This newspaper reports that Mr. Justices Black and Douglas were in aftendance.

V. The finding that Greene is of doubtful credibility. (R. 24). This Charge is Refuted By The Following Facts

- A. The board at the first hearing accepted Greene's testimony, and the board at the second hearing, which purports to doubt his credibility, believed his uncorroborated testimony as to Hess, Syrzentic, Owen Lattimore, Ed Fruchtman, and Virginia Gardner.
- B. No mention of this charge was made until March 12, 1956, a year and a half after the institution of this suit, and the charge is then made in a document prepared by respondent's subordinates for an obviously self-serving purpose.
- C. Greene's testimony was corroborated with respect to important issues by the testimony of disinterested witnesses and by documentary evidence.
- D. Greene's testimony was stated to have been in accord with that of the alleged informants. (e.g., R. 422, 425).

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1958

No. 180

WILLIAM L. GREENE, Petitioner,

NEIL H. McElroy, Thomas S. Gates, Jr., AND ROBERT B. ANDERSON

REPLY BRIEF FOR PETITIONER

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1958

No. 180

WILLIAM L. GREENE, Petitioner,

V.

NEIL H. McElroy, Thomas S. Gates, Jr., and Robert B. Anderson

REPLY BRIEF FOR PETITIONER

Introduction

Respondents' Brief is noteworthy chiefly for its extraordinary claim of unlimited executive power to control private employment. So broad and unwarranted is this assertion that it must be taken as an implicit concession that the action against Greene can be sustained on no lesser claim of executive authority. And the misinterpretation of petitioner's true interest—freedom from arbitrary governmental interference with his private employment relationships—is so gross as to constitute still another implicit concession that his true interest is so substantial as to be entitled to the constitutional protection of due process.

reversal of the judgment below, include the following:

(1) Greene has standing to vindicate his rights. (Brief, p. 29)

(2) Greene's loss of employment was caused by the denial of access to classified information. (Brief, p. 30)

(3) Respondents claim the authority thus to deprive a citizen of private employment on the basis of personal doubt of his loyalty arising from uncorroborated suspicions (Brief, p. 44)—a doubt which may be fully consistent with the likelihood that the employee is in fact both loyal and discreet. (Brief, pp. 56, 57)

(4) That Greene has not been protected by procedural requirements "normally considered basic elements" of due process. (Brief, p. 64)

(5) No statute explicitly authorizes such an action by the respondents. (Brief, p. 23)

In support of their novel claims of unlimited power, the respondents advance three basic theses:

- (1) No statutory authorization is required, because the control of "military secrets" is an inherent power of the executive. By inference, this thesis rests upon the assertion of proprietorship of the information by the Government.
- (2) Respondents have exercised the right of the Government as the owner of property, and the Government is not subject to any limitation in its control of

(3) Since the Government has an unlimited discretion in the control of its property, Greene is not entitled to the rudiments of a fair hearing.

The keystone of the Brief for the Respondents is the assertion that the classified information is the property of the government, the arbitrary control of which—at least in the absence of a statutory limitation—is vested in the executive. This reply is devoted to a demonstration of the fallacy of this basic premise and the resulting untenability of the conclusions deduced from it.

I. Respondents Have Been Granted No Power to Control Private Employment Through the Arbitrary Exercise of Proprietary Rights of the Government.

The respondents, throughout their brief, have framed the issue before the Court in terms of the authority of the Government, as an owner, to exercise the authority of an owner over its own property.

The issue presented by this case is, rather, the question of power of officers of restricted authority to exercise proprietary rights of the Government in a manner conceded to cause serious injury on the basis of undefined and uncorroborated suspicion.

Whether such authority could be delegated to any official is a question which need not be answered, because Constitutional authority must be granted either to the Congress or to the President, and neither has delegated it to the respondents.

Since it is admitted that respondents do not receive the right to injure citizens in their private employment from the Congress, (Brief, p. 23) the validity of the assertion of power depends upon whether the Constitution grants power to the President of unrestricted control of the property of the United States, insofar as it consists of military information. If so, has the President, in fact, delegated this authority to the respondents?

Both of these questions must be answered in the negative.

The new doctrine that the Constitution has granted, as a part of the executive authority or the command function of the military the right to control private contract relationships of citizens must be rejected. It may be unfair to categorize this doctrine as the beginning of a dictatorship, but it is not harsh to call it a step in that wrong direction.

It is obvious that the respondents are actually asserting control over industrial employment which extends beyond the limits attributable to any valid claim¹ The requirement for clearance is not limited to those

¹ For example, the Executive Order on which the respondents purportedly rely provides, "Classified security information shall not be desseminated . . . by any person or agency having access thereto or knowledge thereof . . . even though such person or agency may have been solely or partly responsible for its production." Insofar as there can be a property right in knowledge, the proprietorship must necessarily be in the creator or discoverer of that knowledge. With the legislative power to control the use of this, or any other, property in the public interest, we need not be here concerned. The executive order purports to control the use of property even against the person in whom the natural right of ownership reposes. Such regulation must be based on legislative and not executive power. Nor is this merely an academic issue in this case. The story of the electronic flight simulator (R. 315) shows that whatever information the Navy possessed regarding this instrument of war was of little practical value until this enginger-now denied employment by the Navy-made it useful by the application of his mind, knowledge, and labor.

who may have occasion to be given classified information by the military departments. Every officer of a corporate contractor must apply for and receive clearance. 32 CFR § 72.8 (1955). Many corporate officers can perform their duties without any knowledge at all of the secret information used by the corporation.

These considerations amply demonstrate the unrealistic and insubstantial justification upon which the respondents rely as support for their claim over the livelihood of literally millions of American citizens in all branches of industry.2 But such confusions on the part of the respondents may be pretermitted in the light of the concession that there is no statutory authority for the regulations under which respondents claim they are acting. The authority to exercise the proprietary rights of the Government has not been vested in the President. On the contrary, it is expressly vested by the Constitution in the Congress. Article IV, Section 3, expressly provides that "The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other property belonging to the United States; ..." That the term "other Property" is broad enough to include all of the possessions of the government, and not merely real or tangible personal property, is clear. Ashwander v. Tennessee Valley Authority, 297 U.S. 288, 330 331; Story on the Constitution, §§ 1325, 1326. Since the Congress concededly has not authorized the use of the property of the Government as a means by which administrative officers can interfere in the priv-

² The extent to which this system of control has proliferated throughout the structure of American society is demonstrated in detail by the brief of the American Federation of Labor and Congress of Industrial Organizations as amicus, curiae in Taylor v. McElroy, No. 504, October Term, 1958.

ate contract relationships of citizens, it follows that the respondents lack the authority they claim.

Whether the respondents claim some inherent authority arising from military needs in an emergency is not clear. Such inherent power has never been recognized by this Court. A claim of unlimited executive authority over the livelihood of citizens simply does not square with the basic constitutional principles of limited and separated powers.

Two recent attempts to claim inherent authority of the President as a justification for administrative interferences with the rights of citizens have been rejected by this Court.

In Youngstown Sheet & Tube Co. v. Sawyer, 343 U.S. 579, it was urged that the President possessed inherent authority to seize steel mills because of their vital connection with the supply of war material. In Kent v. Dulles, 357 U.S. 116, it was argued that the traditional discretion of the President in foreign affairs authorized his act in depriving a citizen of the right to travel abroad. In both of these cases, this Court rejected the claim of inherent authority. In Youngstown Sheet & Tube Co. v. Sawyer, the Court said (343 U.S. at p. 867):

The order cannot be sustained as an exercise of the President's military power as Commander in Chief of the Armed Forces. The Government attempts to do so by citing a number of cases upholding broad powers in military commanders engaged in day-to-day fighting in a theater of war.

³ The rejection of inherent Presidential control of Governmental property is implicit in the reasoning of this Court in United States v. Midwest Oil Co., 236 U.S. 459. There, although there was no express statutory authority for the act of the President in with-

Such cases need not concern us here. Even though "theater of war" be an expanding concept, we cannot with faithfulness to our constitutional system hold that the Commander in Chief of the Armed Forces has the ultimate power as such to take possession of private property in order to keep labor disputes from stopping production. This is a job for the Nation's lawmakers, not for its military authorities.

In Kent v. Dulles, 357 U.S. 116, 129, this Court, on the authority of the Youngstown case, flatly stated that if the liberty of travel is to be regulated, that regulation must be pursuant to the law-making power of Congress. The respondents concede that their action deprived Greene of private employment, a right which obviously does not rank below the right of travel or the right of possession of one's property. If the right of seeking a livelihood in the common occupations of manking is to be regulated, it must be pursuant to the law-making power of Congress.

But the respondents also assert that Congress has impliedly ratified the action of the respondents in establishing the Industrial Security Regulations. For this assertion, they rely upon the doctrine of legislative ratification through appropriations. This doctrine has no application to the acts of the respondents which are challenged in this case. An essential of any ratification is that there be knowledge of what is being done. There is, so far as petitioner is aware, nothing which would support the conclusion that Congress has

drawing government lands from entry, the Court was meticulous in spelling out a legislative ratification of his authority from the non-action of Congress over a period of almost a century. Consequently, the act of the President was supported by a legislative grant of authority, and not any inherent power of the executive.

been fairly advised of the working of the Industrial Security Regulations or has appropriated money for their support.

But there is no need to base a determination of Congressional intention upon evidence as unconvincing as that presented by the respondents. The intent of Congress may be read with much more ease from the fact that it has in fact provided comprehensive machinery for the exclusion of suspected subversives from defense facilities, but it has not turned this delicate task over to the military departments. Internal Security Act of 1950, Public Law 831, ch. 1024, 64 Stat. 989, 50 U.S.C. §§§ 781-798. The careful limitations and the full judicial type of procedure set forth in this Act can be interpreted only as

The single citation in support of the fact of Congressional knowledge in the Respondents' Brief is to Hearings before the Subcommittee on Department of Defense Appropriations for 1956 of the House Committee on Appropriations, 84th Cong., 1st Sess., 774-81 (1955). This discussion concerned an attempt of the Defense Department to secure funds for the payment of wages lost on account of denials of clearance. It is noteworthy that the appropriations act does not contain any provision of the kind sought by the Department. But perhaps more important is the assurance given by the Department's witness that no clearance was denied without an opportunity for "a fair hearing". Subsequently, the Committee was told that an employee receives a "full hearing." Ibid, p. 775. This legislative material supports the contention of the petitioner's brief (pp. 50-56) in Taylor v. McElroy, No. 504, this Term, that Congress has never approved the procedures here challenged. If this more restricted argument is not implicit in our demonstration of lack of legislative ratification of any part of the Industrial Security program, we now urge the less broad argument made by Taylor.

⁵ Examples of the vigorous use by Congress of the criminal law in the dealing with the problem include those cited by the Respondents in note 7, page 26, of their Brief.

a legislative balancing of the needs of the military and of the rights of citizens. The military authorities are without power to revise the determination of Congress by extending the scope of the program and denying the procedural protection Congress provided for the affected citizens.

Even more important is the fact that upon the one oceasion on which the question of authorizing the issuance of regulations such as the Industrial Security regulations came before the Congress, the authority was not granted. Instead, Congress provided for the establishment of a Commission to study the problem with a view of accommodating the legitimate needs of national defense to the constitutionally protected rights of the citizen. House Report No. 2280, House of Representatives, 83rd Congress, 2d Sess., p. 3. Perhaps the final evidence of the unterability of the respondents' claim of Congressional ratification lies in the fact that the Commission appointed by the President, and the presiding officers of the two houses of Congress concluded that Congressional action was necessary for the validity of the regulations, Report of the Commission on Government Security, pp. 249, 250 (1957), and recommended the abolition of the Industrial Security program in its present form. Ibid., p. 266.

Even were legislative action not a prerequisite, the acts of the respondents would be unauthorized.

Nowhere has the President delegated, in any reasonably specific terms, the authority to use the Government's property and buying power to deprive a citizen of his livelihood. This is especially so when the action is based on an alleged doubt admittedly fully consistent with a determination that the citizen injured is in

fact both loyal and discreet. The principle of construction affirmed by this Court in Kent v. Dulles, 357 U.S. 116, 129—that delegated powers which curtail or dilute basic rights will be narrowly construed—applies with equal force to an attempted delegation of the executive power, if such a power could conceivably be found to exist. Cf, Mr. Justice Frankfurter, dissenting in Jay v. Boyd, 351 U.S. 345, 372.

II. The Protection of Procedural Due Process Is Guaranteed by the Constitution to One Who, Like Greene, Has Arbitrarily Been Deprived of the Basic Right of Earning a Living.

That action of the respondents of which Greene complains in this action caused his discharge from the position which he had achieved by merit and in which he had served his employer and the Government well is no longer open to dispute, because it is conceded by the respondents. In their brief (p. 30), they say:

We do not deny that the withdrawal of petitioner's security clearance operated, as a practical matter, to cause him to lose his position with ERCO, since his lack of access to classified information terminated his usefulness to the company. It may also be true, as petitioner alleges, that he has been seriously hampered by that action in obtaining other work for which his talents are particularly suited.

Nonetheless, the respondents assert that he is not entitled to have a court examine the legality of the action taken, or the rationality of its asserted basis, because, as they pose the question, all that the Government did was to refuse to disclose military information in its custody, for the protection of which it was responsible.

The issue, as we have pointed out, is not what the Government, as an incorporeal entity, may do, but whether its finite agents may exercise an unlimited and unreviewable discretion to control the livelihood of citizens through the use of the Government's purchasing power and its use of property which it claims to own.

Such authority must either have no beginning or it must have no end. In the view of the respondents, the selection between the two alternatives is simple: the power has no end, for, as they assert, their action "may, if necessary, be based on no more than doubt and : . . is not judicially reviewable." (Brief for Respondents, p. 44).

The respondents seek to justify this novel assertion of unlimited power because, as they say, they are dealing with the proprietary interests of the Government, which, they suggest, is like every other owner of property, and therefore able to deal with its own property in any way in which it chooses. At the out-set, it should be noted that this is an overstatement of the rights of property twnership, because ownership of property does not justify its use to inflict unwarranted injury on another. Traditionally, an interference with employment contract relationships has been an injury against which equity will act. Cf, e.g., Lumley v. Gye, 2 Ellis & Blackburn 216 (Queen's Bench, 1853).

Even were this not so, it should be noted that Green's complaint is not of the acts of the Government, but is of the acts of the respondents which have caused him injury. Unless those acts were authorized—and it is clear that they were not—they can not properly be described as acts of the Government.

But, more important in the determination of the issues before the Court, is the fact that the Government is subject to restrictions not imposed on a private property owner. As was said by Mr. Justice Jackson, concurring in Youngstown Sheet & Tube Co. v. Sawyer, 343 U.S. 579, 646:

The third clause in which the Solicitor General finds seizure powers is that "he shall take Care that the Laws be faithfully executed * * *." That authority must be matched against the words of the Fifth Amendment that "No person shall be * * deprived of life, liberty, or property, without due process of law." One gives a governmental authority that reaches so far as there is law, the other gives a private right that authority shall go no farther. These signify about all there is of the principle that ours is a government of laws, not of men, and that we submit ourselves to rulers only if under rules.

One basic limitation on the authority of any governmental official is that he shall not exercise it in a way that is patently arbitrary. Wieman v. Updegraff, 344 U.S. 183, 192. The respondents seek to distinguish Wieman and similar cases upon the ground that the due process clause creates an affirmative right not to be discriminated against on the basis of an "invidious classification", a category they apparently limit to diseriminations on the basis of race, religion, or politics. (Brief, pp. 36, 37) That the Constitution is offended by such discrimination, we have no doubt. But the respondents' attempt to constrict Constitutional protections to that one kind of arbitrary action misreads this Court's decisions as well as the purpose of the Bill of Rights. The reason for the Bill of Rights was distrust of power; the remedy was sought in constitutional limitations against the abuse of power. Weems v. United States, 217 U.S. 349, 373.

It is difficult to conceive of any administrative action more arbitrary than using a patently unfair process to determine individual adjudicatory facts without evidence, and then denying a citizen his right to a livelihood. Nor can the respondents shield their action by claiming to have acted upon the basis of a record which they believe to be right, but which they cannot submit to public testing. As Mr. Justice Frankfurter has said (concurring in Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, at p. 171, "That a conclusion satisfies one's private conscience, does not attest its reliability. * * * [S]elf-righteousness gives too slender an assurance of rightness."

Any arbitrary action by any governmental officer is forbidden by the due process clause. An action which is not based upon findings is patently arbitrary. Findings which rest upon no firmer basis than inferences

The respondents lay great stress upon the allegation that Greene conceded facts which justify their action. This is simply not an accurate description of what the record shows Greene said. One example will suffice. Greene has not denied, as he has no reason to deny; that he was married to Jean Hinton Greene. But an unfortunate marriage cannot be a reasonable ground for a doubt of his loyalty. The important allegations are that Jean Hinton Greene was "an ardent Communist" and that Greene agreed with her views. The record is replete with evidence which refutes these statements.

⁷ Mr. Justice Frankfurter, dissenting in Jay v. Boyd, 351 U.S. 345, 373, has given an unmistakable warning against reliance upon secret information of the nature admittedly used by the respondents as the basis of their injury to Greene. He said, "We can take judicial notice of the fact that in conspicuous instances, not negligible in number, such "confidential information" has turned out to be either baseless or false. There is no reason to believe that

drawn by subordinate government officials' from untested hearsay are the equivalent of no findings at all.

Conclusion

The entire argument of the respondents rests upon doubtful conclusions drawn from the tenuous premise that the respondents have done no more than exercise the proprietary rights of the Government. Those conclusion can be accepted only if one blinds himself to the practical and admitted realities of the situation before the Court. The acceptance of such arguments would be at least an initial step toward destruction of a basic freedom.

Respectfully submitted,

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only these conspicuous instances illustrate the hazards inherent in taking action affecting the lives of fellow men on the basis of such information. The probabilities are to the contrary. A system of administrative law cannot justify itself on the assumption that the 'confidential information' available to these inquiry officers and the Board of Appeals is impregnable or even likely to be true."

⁸ Nothing in the record indicates that any responsible officer of the Department of Defense actually had anything to do with the formulation of the statement of charges upon which the respondents lay such stress in their Brief, which is only a charge—not evidence. The alleged "findings" stated in the Fenton letter (R. 22-24) were made public long after the institution of this litigation, and may fairly be dismissed as self-serving declarations intended to provide support for the action by which Greene was deprived of his employment.

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In the Supreme Court of the United States

OCTOBER TERM, 1958

No. 180

WILLIAM L. GREENE, PETITIONER

v.

NEIL M. McElroy, Thomas S. Gates, Jr., and Robert B. Anderson 1

ON PETITION FOR A WRIST OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

BRIEF FOR THE RESPONDENTS IN OPPOSITION

OPINIONS BELOW

The opinion of the district court (R. 582-584, Pet. 1a-4a) is reported at 150 F. Supp. 958. The opinion of the court of appeals (Pet. 5a-23a) is reported at 254 F. 2d 944.

JURISDICTION

The judgment of the court of appeals (Pet. 23a) was entered on April 17, 1958. The petition for certiorari was filed on July 16, 1958. The jurisdiction of this Court is invoked under 28 U. S. C. 1254 (1).

¹ The action has abated as to Mr. Anderson, who ceased serving as Secretary of the Navy on April 30, 1954, and as Deputy Secretary of Defense on August 4, 1955 (R. 35).

QUESTION PRESENTED

Whether an employee of a Government contractor has a judicially-enforceable right to access to classified contract data.

STATEMENT

Petitioner is the former General Manager and Vice President in charge of engineering of the Engineering and Research Corporation (ERCO), a corporation engaged in classified research under contracts with the Department of the Navy (R. 65). Each of the contracts, as well as a basic security agreement entered into by the parties on June 5, 1951 (R. 40), incorporated by reference the Department of Defense Industrial Security Manual (R. 41). The Manual in turn provided (R. 47, 57):

- [14. e.] The Contractor shall exclude (this does not imply the dismissal or separation of any employee) from any part of its plants, factories, or sites at which work for any military department is being performed, any person or persons whom the Secretary of the military department concerned or his duly authorized representative, in the interest of security, may designate in writing.
- [16.] No individual shall be permitted to have access to classified matter unless cleared by the Government or the Contractor, as the case may be, as specified in the following subparagraphs and then he will be given access to such matter only to the extent of his clearance. * * *

On December 11, 1951, the Army Navy-Air Force Personnel Security Board notified ERCO and petitioner that their request that petitioner have access to classified information was denied and that his existing clearances were revoked (R. 73). Following appeal and hearing (R. 66), the Industrial Employment Review Board reversed this decision and granted petitioner access to classified information up to and including "secret" (R. 197).

On March 27, 1953, the Secretary of Defense abolished both existing boards and directed the service Secretaries to establish regional boards (R. 198). Pending the establishment of such boards, the Secretary of Defense directed the service Secretaries to grant or deny security clearances in accordance with the criteria used by the former boards (R. 199). In accordance with this authority, Secretary of the Navy Anderson, on April 17, 1953, advised ERCO as follows (R. 2):

I have reviewed the case history file on William Lewis Greene and have concluded that his continued access to Navy classified security information is inconsistent with the best interests of National security

In accordance with paragraph 4. e. of the Industrial Security Manual for Safeguarding Classified Security Information, therefore, you are requested to exclude William Lewis Greene from any part of your plants, factories or sites at which classified Navy projects are being carried out and to bar him access to all Navy classified security information.

In addition, I am referring this case to the Secretary of Defense recommending that the

Industrial Employment Review Board's decision of 29 January 1952 be overruled.

ERCO promptly complied with that request (R. 201) and at some time thereafter terminated petitioner's employment (see R. 3, 201, 569, 571, 579).

Following a request for further consideration by petitioner's attorney (R. 206), the newly-established Eastern Industrial Personnel Security Board, at the request of the Assistant Secretary of the Navy for Air (R. 62), took jurisdiction to redetermine petitioner's case. On April 9, 1954, the Board furnished petitioner a detailed statement, to the extent permitted by security considerations, of the information which had resulted in the termination of his access to classified information, all of which information had been discussed with petitioner at his prior hearing before the Industrial Employment Review Board (R. 32-34).

The information was as follows (R. 32-34):

[&]quot;1. During 1942 SUBJECT was a member of the Washington Book Shop Association, an organization that has been officially cited by the Attorney General of the United States as Communist and subversive.

[&]quot;2. SUBJECT's first wife, Jean Hinton Greene, to whom he was married from approximately December 1942 to approximately December 1947, was an ardent Communist during the greater part of the period of the marriage.

[&]quot;3. During the period of SUBJECT's first marriage he and his wife had many Communist publications in their home, including the 'Daily Worker'; 'Soviet Russia Today'; 'In Fact'; and Karl Marx's 'Das Kapital'.

[&]quot;4. Many apparently reliable witnesses have testified that during the period of SUBJECT's first marriage his personal political sympathies were in general accord with those of his wife, in that he was sympathetic towards Russia; followed the Communist Party 'line'; presented 'fellow-travel-

A hearing, at which petitioner and his attorney were present, was held before the Eastern Industrial Personnel Security Board on April 28, 29, and 30, 1954 (R. 212-532). The Board heard the testimony of petitioner and his twelve witnesses and received further evidence presented by petitioner. The Government called no witnesses to testify. On the basis of this hearing, together with confidential investigation reports of the Federal Bureau of Investigation and of other investigative agencies which were contained

ler' arguments; was apparently influenced by 'Jean's wild theories'; etc.

"6. On 7 April 1947 SUBJECT and his wife Jean attended the third Annual Dinner of the Southern Conference for Human Welfare, an organization that has been officially cited as a Communist front.

"7. Beginning about 1942 and continuing for several years thereafter SUBJECT maintained sympathetic associations with various officials of the Soviet Embassy, including Major Constantine I. Ovchinnikov, Col. Pavel F. Berezin, Major Pavel N.- Asseev, Col. Ilia M. Saraev, and Col. Anatoly Y. Golkovsky.

"8. During 1946 and 1947 SUBJECT had frequent sympathetic association with Dr. Vaso Syrzentic of the Yugoslav Embassy. Dr. Syrzentic has been identified as an agent of the International Communist Party.

"9. During 1943 SUBJECT was in contact with Col. Alexander Hess of the Czechoslovak Embassy, who has been identified as an agent of the Red Army Intelligence.

*10. During 1946 and 1947 SUBJECT maintained close and sympathetic association with Mr. and Mrs. Nathan Gregory Silvermaster and William Ludwig Ullman. Silvermaster

[&]quot;5. In about 1946 SUBJECT invested approximately \$1,000 in the Metropolitan Broadcasting Corporation and later became a director of its Radio Station WQQW. It has been reliably reported that many of the stockholders of the Corporation were Communists or pro-Communists and that the news coverage and radio programs of Station WQQW frequently paralleled the Communist Party 'line'.

in the file of the case (R. 212), the Board, on May 10, 1954, concluded that "the granting of clearance to [petitioner] for access to classified information is not clearly consistent with the interests of, national security", and so notified petitioner (R. 533, 534).

On February 2, 1955, the Secretary of Defense established the Industrial Personnel Security Review Board and gave it jurisdiction to review adverse decisions of the regional boards (R. 538, 561). Petitioner duly appealed to that Board, filing a brief and supporting affidavits (R. 62-A). By letter of March 12, 1956, the Board notified petitioner that it had affirmed the decision of the Eastern Industrial Personnel Security Board on the ground that it was supported by substantial evidence (R. 62-A).

and Ullman have been identified as members of a Soviet Espionage Apparatus active in Washington, D. C., during the 1940's.

[&]quot;11. SUBJECT had a series of contacts with Laughlin Currie during the period 1945-48. Currie has also been identified as a member of the Silvermaster espionage group.

[&]quot;12. During the period between 1942 and 1947 SUBJECT maintained frequent and close associations with many Communist Party members, including Richard Sasuly and his wife Elizabeth, Bruce Waybur and his wife Miriam, Martin Popper, Madeline L. Donner, Russell Nixon and Isadore Salkind.

[&]quot;13. During substantially the same period SUBJECT maintained close association with many persons who have been identified as strong supporters of the Communist conspiracy, including Samuel J. Rodman, Shura Lewis, Owen Lattimore, Ed Fruchtman and Virginia Gardner."

The letter stated (R. 62-A-62-C):

[&]quot;After a review of all the information in the case * * * the Review Board has entered its determination in this matter. This determination, which affirms the decision of the Eastern Industrial Personnel Security Board entered on May 10, 1954,

On August 20, 1954, before the final review board had been created, petitioner instituted this action in the district court, but no action was taken before that board's decision and the pleadings were appropriately amended. Petitioner sought a judgment (a) declaring that the acts of the defendants 'in advising

is that, on all the evidence, Mr. Greene's access to classified information is not clearly consistent with the interests of national security.

"In reaching this determination, the Review Board reviewed the findings of the Eastern Industrial Personnel Security Board in accordance with its mandate under the above regulation, and determined that there was substantial support for said findings in the evidence and other material before the Review Board.

"The findings of the Appeal Division, Eastern Industrial Personnel Security Board included, among other things, the following:

"1. That during the period from 1942 to 1947, knowing of their activity on behalf of the Communist Party and sympathizing with it, Mr. Greene associated closely with his ex-wife, Jean Hinton, Mr. and Mrs. Richard Sasuly, Mr. and Mrs. Bruce Waybur, Martin Popper, Russell Nixon, Isadore Salkin, Shura Lewis, and Samuel J. Rodman, all of whom were members of the Communist Party or active in its behalf.

"2. That in 1946 and 1947, knowing of their sympathy for the Communist Party, Mr. Greene associated closely with Mr. and Mrs. Nathan Gregory Silvermaster, William Ludwig Ullman, and Lauchlin Curry, all of whom have engaged in espionage on behalf of the Soviet Union.

"3. That for a number of years beginning in 1942, Mr. Greene maintained a sympathetic association with a number of officials of the Soviet Embassy, as set out in the Statement of Reasons furnished to him."

"4. That from 1942 to 1947 Mr. Greene's political views were similar to, and in basic accord with, those of his ex-wife, Jean Hinton.

"5, That Mr. Greene was a member of the Washington Book Shop Association; invested money in and became a director of plaintiff's employer that plaintiff could not be employed, illegal, null, void and of no effect"; (b) restraining the defendants from "doing any act in pursuance of the said illegal declaration that plaintiff is not entitled to be employed by" ERCO; and (c) requiring defendants to advise ERCO that the letter of April 17, 1953, is null and void (R. 8).

A stipulation of facts having been filed (R. 64), both parties moved for summary judgment (R. 566, 569, 570, 580). The district court granted summary

the Metropolitan Broadcasting Corporation; attended a function of the Southern Conference of Human Welfare; and had in his home a number of Communist publications as set out in the Statement of Reasons furnished to him.

"6. That Mr. Greene's credibility as a witness in the proceedings before it was doubtful.

"In reaching its determination in this case, the Review Board concluded, on the basis of the above findings, that Mr. Greene had been in close contact with a number of individuals who were either trusted officials of the Soviet Union or members of the Communist Party actively engaged in its work; that these associations were undertaken and continued with knowledge of the sympathies and activities of these individuals; and that he has been sympathetic towards the Communist Party and the communist movement.

"In addition, the Appeal Division, Eastern Industrial Personnel Security Board, had strong doubts as to Mr. Greene's credibility as a witness. These doubts were shared by the Review Board. This lack of credibility goes to the heart of the concept of trustworthiness, whom which all security clearances ultimately rest.

"Longstanding policy has dictated that only those persons who are determined to be trustworthy shall have access to classified information (For the latest expression see EO 10501). The Review Board found that such a determination could not be made in Mr. Greene's case, and, therefore, that the decision of the Appeal Division, Eastern Industrial Personnel Security Hearing Board, must stand."

judgment for respondents, holding that petitioner's discharge resulted solely from his employer's willing agreement to abide by security requirements; that in so contracting the Government was acting properly to "protect itself against threats to its survival"; and that petitioner accordingly had shown no "invasion of his legal rights" (Pet. 3a). The court of appeals unanimously affirmed, holding that the industrial security program was fully authorized and was not unreasonable in its coverage or procedures and that the lack of "confrontation" and full disclosure of the FBI reports did not, in the circumstances of this case, violate petitioner's constitutional rights (Pet. 5a-22a).

ARGUMENT

The relief petitioner seeks is neither more nor less than a mandatory injunction that he be given access to classified defense information in the course of his employment by a private contractor. That is relief which the courts cannot give. To do so would usurp the responsibility of the executive for the preservation of the national security. It would require the courts to determine as a fact that petitioner may be trusted with military secrets and to assume the responsibility for the accuracy of that prediction. Clearly these are functions which the judiciary cannot properly assume. Thus, whatever the merits of petitioner's claims, he cannot be given the specific relief he seeks. This case, therefore, presents no occasion for the consideration of the questions on the merits petitioner seeks to raise.

Moreover, while we think it unnecessary to reach the question, no legal wrong has been inflicted upon petitioner. The executive department is clearly authorized to determine who shall have access to classified information; it denied petitioner such access on grounds directly related to the ends of national security; and, whether or not required to do so, it afforded petitioner a full hearing consistent with safeguarding confidential information. No more is required.

1. As the court of appeals noted, this case is not like those where the courts have given the Government the alternative of revealing secret information or of suffering some other consequence, such as foregoing prosecution (cf. Jencks v. United States, 353 U. S. 657). Here there is no alternative: petitioner seeks an order specifically compelling disclosure to him of classified defense information. The only alternative of any benefit to petitioner—to condition the order upon petitioner's being given a hearing with confrontation and full disclosure of the evidence against him-would equally require the disclosure of information which the executive department has determined cannot be disclosed without compromising the national security—to wit, the contents and sources of the investigation reports. Hence the relief sought would necessarily require disclosure, under compulsion of law, either of classified military contracts or of

⁴ The Government has also, of course, the final alternative of giving petitioner a clearance and then terminating its classified contracts with ERCO. See p. 18, infra. That alternative, however, would effectively nullify the relief prayed for.

equally confidential investigation reports (possibly revealing, for example, the identity of informers within the communist apparatus). No court has ever so ordered the executive department to disclose confidential information relating to the national security to one whom that department does not consider is trustworthy.

Whether, if petitioner has been wrongfully injured, he would have an action for damages against the United States and whether Congress has consented to such a suit are questions not now before the Court. But see Dupree v. United States, 247 F. 2d 819 (C. A. 3); Dupree v. United States, 141 F. Supp. 773 (C. Cls.). The only question is whether petitioner is entitled to compulsory process requiring the executive department to disclose military secrets to him, and on that question there can be no serious dispute.

2. Petitioner's arguments on the merits misconceive the nature of the action taken by the Government. This is not a case where the Government has asserted regulatory power over an industry or a class of persons at large by creating a general bar to employment. That was true in each of the cases relied upon by petitioner: in Parker v. Lester, 227 F. 2d 708 (C. A. 9), where Coast Guard clearance was required as a condition precedent to employment as a seaman by private ship owners; in Schware v. Board of Bar Examiners, 353 U. S. 232, where admission to the bar was a prerequisite to the private practice of law; in Cummings v. Missouri, 4 Wall. 277, and Ex parte Garland, 4 Wall. 333, where adherents to the Confederacy were barred from teaching and the practice of law; and in

Truax v. Raich, 239 U.S. 33, where employment of aliens in excess of a prescribed number was forbidden.

Here the Government has asserted no power other than the power to refrain from giving contracts for secret military equipment to contractors whose employees it does not fully trust. Rather than withhold contracts altogether from such contractors, however, it has given the contractor the choice of agreeing to keep the secret information out of the hands of such employees. However viewed, therefore, the question presented is no more than this: may the Government refrain from placing secret military information in the hands of persons whom it suspects of being untrustworthy?

We do not deny that such action by the Government may have serious practical consequences to an individual denied access to classified information. His inability to work on classified Government contracts, together with his employer's understandable reluctance to forego such contracts, may well make his continued employment by the contractor no longer economically feasible, and the same may well be true of other employers in the industry in which he has specialized talents. But that the practical consequences may, in a given case, be the same as the consequences of a legal disability does not mean that the two types of governmental action are to be judged by the same standards. They remain very different in nature.

What the Government has done here is no different from what a private manufacturer would clearly be free to do to protect its trade secrets. That does not dispose of the case, for there remains the question

whether the Government is less free to act in that manner simply because it is the Government. But it is question-begging to confuse that question, as the petitioner does, with the power of the Government, acting in a regulatory or legislative capacity, to impose legal disabilities upon private persons.

The problem, therefore, is not whether the Government may "bar" petitioner from employment in his chosen occupation, or even whether it may "cause" his discharge by a single employer. Rather, while the practical consequences are no doubt relevant considerations, the only meaningful formulation of the issue is whether the Government is required to turn over to petitioner secret military information.

3. Petitioner does not contend that the procedures by which be was denied clearance violated any statutes or regulations. He thus derives no support from cases such as Peters v. Hobby, 349 U. S. 331; Cole v. Young, 351 U. S. 536; and Service v. Dulles, 354 U. S. 363. He does seemingly suggest that there is a total absence of authority for the executive department to determine who shall have access to classified information, but that contention, which was fully answered by the courts below, may be dismissed as wholly without substance. While there are numerous statutory provisions from which such a power could, if necessary, be inferred, the

See, e. g., 18 U. S. C. 798, providing criminal penalties for the unauthorized disclosure of "classified information," and §§ 2 (c) (12) and 4 (a) of the Armed Services Procurement Act, authorizing contracts to be negotiated without advertising when the contract "should not be publicly disclosed" and providing that such contracts "may be of any type which

short answer is that the general power to safeguard military secrets is necessarily inherent in the duty of the executive department to preserve the security of the nation.

Petitioner thus necessarily rests on the assertion that, by being denied access to classified information, he has been deprived of liberty or property without due process of law, in violation of the Fifth Amendment to the Constitution. More specifically, inasmuch as petitioner was given a detailed specification of charges and a full opportunity to present evidence before being denied clearance, it is apparent that petitioner's claim is that he can be denied access to classified information only after a hearing in which all the evidence against him is disclosed and he is given the opportunity to cross-examine the informants,

Petitioner's position is wholly novel. It is true that a right of "confrontation" has been asserted as a constitutional prerequisite to a discharge from Government employment on "loyalty" grounds—an assertion that this Court has never found it necessary to reach. See, e. g., Peters v. Hobby, 349 U. S. 331. But even in those cases it has never been suggested that the Government was not entitled to withhold classified information from the employee even if it could not fire him. Thus Mr. Justice Doug-

in the opinion of the agency head will promote the best interests of the Government." 41 U. S. C. (1952 ed.) 151 (c) (12), 153 (a), later recodified with minor changes as 10 U. S. C. (Supp. V) 2304 (a) (12), 2306 (a).

las, although concurring in Peters v. Hobby on th ground that a discharge without confrontation wa unconstitutional, nevertheless recognized that "If th sources of information need protection, they shoul be kept secret" (349 U. S. at 352), implying that in that event the information should not be use as a basis for discharging the employee. The crucia difference is that in those cases it was open to th Government, if it doubted the employee's trustworth ness but was prevented by security consideration from disclosing the full basis for those doubts in a open hearing, to move the employee to a nonsensitiv position. It was only the further act of dischargin the employee that was alleged to require "confron Thus whatever the merits of the constitu tional claim in the employee discharge cases, it has n application here, where the precise question is no whether an employee should stay on the Governmen payroll but whether an employee of a defense con tractor should be allowed access to classified defens information.

Petitioner's constitutional claim is, moreover, a lacking in merit as it is novel. Petitioner has no "right", in any meaningful sense, to have access to Government secrets. That being so, it is difficult to see how he has been deprived of any "property" of "liberty" within the meaning of the Fifth Amendment If he has any constitutional right relevant to the issurbere, therefore, it would be at most a right not to be treated discriminatorily—that is, a right not to be denied a privilege accorded to others arbitrarily or or

grounds not rationally related to an appropriate governmental purpose. Here, however, there can be no serious contention that the charges against petitioner—the essential facts of which were admitted at the hearing—did not afford a rational basis for denying him access to classified information or that the board acted capriciously.

What petitioner argues, rather, is that he has an absolute right not to be denied clearance without being afforded an opportunity to confront and cross-examine those who informed against him. No doubt it is a desirable policy of government to afford to those who will be injured by its action the maximum procedural safeguards which can be given consistent with the conflicting interests that must be served. Petitioner's underlying premise that that policy is a constitutional requirement cannot be so readily accepted. For purposes of this brief, however, it is enough to observe that petitioner has in fact been given appropriate procedural safeguards consistent with the requirements of national security.

Petitioner was given a complete specification of the charges against him, including in detail the names of the alleged communists and espionage agents with whom he was reported to have had a close association, and the dates of the associations. He was given a full hearing at which he was afforded every opportunity to explain the implications of his admitted associations and to introduce evidence and witnesses in his own behalf. He was fully represented by counsel throughout the proceedings. It was expressly determined,

however, that the confidential FBI reports available to the board and the identity of the informants from whom the information was obtained could not be disclosed to petitioner without impairing the national security. It is this omission of which petitioner complains.

Admittedly the use of confidential informants and the nondisclosure of sources of information deprive the individual affected of a full opportunity to answer the charges. But the executive department, equally aware of the dangers of the system, has determined that the considerations weighing against full disclosure are of overwhelming importance. That appraisal of the competing interests, based as it is on extensive information not available to the courts, would seem necessarily to be controlling here.

Nor is this a case where the executive can properly be required not to use the information if it is not willing to disclose it. While that is a conceivable solution in a federal employee discharge case—where the employee can, to some extent, be removed from access to classified information without being discharged—it is precluded here by the very object of the proceedings. The result of requiring the Government to grant the petitioner access to classified information unless it is willing to disclose the identity of its informers is, as noted above, necessarily to force disclosure of one of the two types of confidential information. The suggestion that the Government is under a constitutional compulsion to choose one of

these two compromises of the national security is surely without merit.

4. Finally, a requirement that the Government grant a clearance to a contractor's employee unless it is willing to disclose the sources of its information would frequently deprive the Government of the use of facilities essential to the national defense. Having been required to grant a contractor's employee a clearance notwithstanding confidential information that the employee is untrustworthy, the contracting agency could not, consistently with its duty to protect military secrets, continue to award classified contracts to the contractor and might, indeed, be obliged to terminate the existing contract. Although other equally-qualified contractors would no doubt be available in many cases, at least in peacetime, the particular contractor might often have facilities, capacity, or engineering talent that cannot be replaced. In those cases the Government would be faced with the dilemma of either disclosing the sources of its confidential information or foregoing the services of an essential contractor. The practical problem is greatly increased, moreover, by the fact that a contractor's employees, unlike Government employees, cannot feasibly be screened by the Government before they are hired. If such an employee, discovered after hiring to be untrustworthy, is to be kept from secret military information, it can be done only by the contractor's withholding of information from the employee or the Government's withholding of contracts from the contractor.

CONCLUSION

For the foregoing reasons, it is respectfully submitted that the petition for certiorari should be denied.

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SEPTEMBER 1958.

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In the Supreme Court of the United States

OCTOBER TERM, 1958

No. 180

WILLIAM L. GREENE, PETITIONER

v.

NEIL M. McElroy, Thomas S. Gates, Jr., and Robert B. Anderson 1

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

BRIEF FOR THE RESPONDENTS

OPINIONS BELOW

The opinion of the district court (R. 476-79) is reported at 150 F. Supp. 958. The opinion of the court of appeals (R. 480-96) is reported at 254 F. 2d 944.

JURISDICTION

The judgment of the court of appeals was entered on April 17, 1958 (R. 496-97). The petition for a writ of certiorari was filed on July 16, 1958, and was granted on October 27, 1958 (R. 497). 358 U.S. 872.

¹ The action has abated as to Mr. Anderson, who ceased serving as Secretary of the Navy on April 30, 1954, and as Deputy Secretary of Defense on August 4, 1955 (R. 12).

The jurisdiction of this Court rests upon 28 U.S.C. 1254(1).

QUESTIONS PRESENTED

Petitioner, as an executive employee of a government contractor engaged in classified defense research, was denied access to classified defense information after a determination by appropriate government officials that the granting of such access would not be clearly consistent with the interests of national security. This determination was made on the basis of evidence offered by petitioner and confidential information contained in government files, a summary of which was furnished to petitioner to the extent permitted by security considerations. The questions presented are:

- 1. Whether the Department of Defense regulations, establishing the procedures pursuant to which petitioner was denied access to classified information, were authorized by statute or otherwise.
- 2. Whether petitioner's interest in access to classified information was "liberty" or "property" of which he could not be deprived without due process of law.
- 3. Whether the procedures by which petitioner was denied access to classified information satisfied the requirements of due process of law.

STATUTES AND REGULATIONS INVOLVED

The pertinent portions of the statutes and regulations involved are set out in the Appendix, infra, pp. 1a-31a.

STATEMENT

Petitioner was formerly the General Manager and Vice President in charge of engineering of the Engi[14. e.] The Contractor shall exclude (this does not imply the dismissal or separation of any employee) from any part of its plants, factories, or sites at which work for any military department is being performed, any person or persons whom the Secretary of the military department concerned or his duly authorized representative, in the interest of security, may designate in writing.

[16.] No individual shall be permitted to have access to classified matter unless cleared by the Government or the Contractor, as the case may be, as specified in the following subparagraphs and then he will be given access to

² Pertinent portions of the Manual, dated January 18, 1951, are reprinted in the Appendix to this brief, *infra*, pp. 28a-31a. The entire Manual is contained in the original record at pp. 44-62.

such matter only to the extent of his clear-

In accordance with this provision, the Secretary of the Navy, on April 17, 1953, advised ERCO as follows (R. 2-3, 29):

I have reviewed the case history file on William Lewis Greene and have conclude that his continued access to Navy classified security information is inconsistent with the best intests of National security.

In accordance with paragraph 4. e. of the Industrial Security Manual for Sair guarding Classified Security Information, therefore, you are requested to exclude William Lewis Greene from any part of your plants, factories or sites at which classified Navy projects are being carried out and to bar him access to all Navy classified security information.

In addition, I am referring this case to the Secretary of Defense recommending that the Industrial Employment Review Board's decision of 29 January 1952 be overruled.

ERCO promptly complied with this request (R. 176), and at some time thereafter terminated petitioner's employment (R. 3, 176).

This suit was instituted by petitioner on August 20, 1954 (R. 1), seeking a judgment (a) declaring the acts of the respondents "in advising plaintiff's employer that plaintiff could not be employed, illegal, null, void and of no effect;" (b) restraining the respondents from "doing any act in pursuance of the said illegal declaration that plaintiff is not entitled to be employed by" ERCO; and (c) requiring respondents to advise ERCO that the letter of April 17, 1953, is null and

void (R. 8-9). The district court, on April 8, 1957, granted the Assondents' motion for summary judgment and for dismissal of the complaint (R. 476-79). This judgment was affirmed by the court of appeals on April 17, 1958 (R. 480-97).

1. Factual background. With the exception of a short period of time not here material, petitioner had been employed by ERCO since 1937 (R. 2). In connection with this work, he had been given clearance to classified information by the Army on August 9, 1949; by the Assistant Chief of Staff G-2, Military District of Washington, on November 9, 1949; and by the Air Materiel Command on February 3, 1950 (R. 28). However, on November 20, 1951, the Army-Navy-Air Force Personnel Security Board advised ERCO by letter that, on the basis of information then available to it, the Board had tentatively decided to deny ERCO access to classified Department of Defense contracts, and to revoke ERCO's previously granted security clearance, for the reason that the Board had taken tentative action to deny petitioner access to all classified information (R. 31-32). In order to remove this impediment to ERCO's future work on classified contracts, petitioner left the company on extended furlough pending final determination of his case, and the Board was so advised (R. 32-34).

This was the screening board responsible under the then existing industrial security program for making initial security determinations. The procedures governing this board are set out in the Appendix, infra, pp. 2a-20a.

On December 11, 1951, ERCO and petitioner were notified that petitioner's existing clearances for access to classified Department of Defense information and materials were revoked and that consent was denied for petitioner's continued access to classified contract work (R. 34-36). Petitioner was also advised of his right to appeal this decision to the Industrial Employment Review Board (IERB), including the right to a hearing before that board with or without counsel and witnesses of his selection.

At petitioner's request, the IERB scheduled a hearing on the matter and furnished him with a statement of the grounds upon which the screening board had determined to deny him access to classified information (R. 37-38). This hearing was conducted on January 23, 1952 (R. 39-171), following which the IERB reversed the decision of the screening board and granted petitioner access to classified information up to and including "secret" (R. 172-73).

On March 27, 1953, the Secretary of Defense, by memorandum to the three service Secretaries, abol-

DA.

This statement was as follows (R. 37):

[&]quot;That over a period of years, 1943-1947, at or near Washington, D.C., you have closely and sympathetically associated with persons who are reported to be or to have been members of the Communist Party; that during the period 1944-1947 you entertained and were visited at your home by military representatives of the Russian Embassy, Washington, D.C.; that, further, you attended social functions during the period 1944-1947 at the Russian Embassy, Washington, D.C.; and on 7 April 1947 attended the Southern Conference for Human Welfare, Third Annual Dinner, Statler Hotel, Washington, D.C. (Cited as Communist Front organization, Congressional Committee on Un-American Activities.)"

Board and the Industrial Employment Review Board (R. 173-75). At the same time, he directed the service Secretaries to establish joint regional Industrial Personnel Security Boards and uniform standards, criteria, and procedures to govern the disposition of industrial security cases by such boards (R. 174-75). The memorandum provided further that cases pending before the previous boards would be transferred to the new boards when established.

Pending implementation of this memorandum, the Secretary of Defense directed that "[t]he Criteria Governing Actions by the Industrial Employment Review Board * * * shall govern security clearances of industrial facilities and industrial personnel by the Secretaries of the Army, Navy and Air Force until such time as uniform criteria are established in connection with paragraph 6 of this memorandum" (R. 174). As noted supra, p. 4, acting under this authority, and in accordance with paragraph 4. e. of the Industrial Security Manual, the Secretary of the Navy, on April 17, 1953, advised ERCO that he had reviewed petitioner's case history file, that he had concluded that petitioner's continued access to Navy classified security information was inconsistent with the best interests of national security, that petitioner should be barred access to such information, and that he was recommending to the Secretary of Defense that the decision of the IERB of January 29, 1952, granting petitioner a security clearance, be overruled (Rs 2-3). By letter of April 24, 1953 (R. 176-77), ERCO advised the Secretary that, in accordance with

his request it had excluded petitioner from any part of its plant, factories, or sites and had barred him access to all classified security information. ERCO further stated that petitioner had tendered his resignation as an officer of the corporation and had left the plant, and that it would have no further contact with him until his security status was clarified. Subsequently, petitioner's employment with ERCO was terminated (R. 472).

Effective May 4, 1953, regional Industrial Personnel Security Boards, and new standards and criteria for determining industrial security cases, were established by the service Secretaries pursuant to the memorandum of the Secretary of Defense of March 27, 1953. Following a request by petitioner's attorney for further consideration of petitioner's case, the newly-established Eastern Industrial Personnel Security Board, at the request of the Assistant Secretary of the Navy for Air (R. 21-22), took jurisdiction to redetermine petitioner's case. On or about March 20, 1954, petitioner's attorney requested the Board to furnish petitioner with a detailed statement of reasons covering certain specific matters (R. 178-80). On April 9, 1954, the Board furnished petitioner a statement, to the extent permitted by security considerations, of the information which had resulted in the termination of his access to classified information, all of which had been discussed with petitioner at his prior hearing before the Industrial Employment

This regulation in its entirety is contained in the original record at pp. 9-31 and is reprinted in pertinent part in the Appendix, *infra*, pp. 20a-26a.

Review Board (R. 9-11). The information was as follows:

1. During 1942 SUBJECT was a member of the Washington Book Shop Association, an organization that has been officially cited by the Attorney General of the United States as Communist and subversive.

2. SUBJECT'S first wife, Jean Hinton Greene, to whom he was married from approximately December 1942 to approximately December 1947, was an ardent Communist during the greater part of the period of the marriage.

3. During the period of SUBJECT'S first marriage he and his wife had many Communist publications in their home, including the "Daily Worker"; "Soviet Russia Today"; "In Fact"; and Karl Marx's "Das Kapital".

- 4. Many apparently reliable witnesses have testified that during the period of subject's first marriage his personal political sympathies were in general accord with those of his wife, in that he was sympathetic towards Russia; followed the Communist Party "line"; presented "fellow-traveller" arguments; was apparently influenced by "Jean's wild theories"; etc.
- 5. In about 1946 SUBJECT invested approximately \$1,000 in the Metropolitan Broadcasting Corporation and later became a director of its Radio Station WQQW. It has been reliably reported that many of the stockholders of the Corporation were Communists or pro-Communists and that the news coverage and radio programs of Station WQQW frequently paralleled the Communist Party "line".

6. On 7 April 1947 SUBJECT and his wife Jean attended the third Annual Dinner of the Southern Conference for Human Welfare, an organization that has been officially cited as a Communist front.

7. Beginning about 1942 and continuing for several years thereafter SUBJECT maintained sympathetic associations with various officials of the Soviet Embassy, including Major Constantine I. Ovchinnikov, Col. Pavel F. Berezin, Major Pavel N. Asseev, Col. Ilia M. Saraev, and Col. Anatoly Y. Golkovsky.

8. During 1946 and 1947 SUBJECT had frequent sympathetic associations with Dr. Vaso Syrzentic of the Yugoslav Embassy. Dr. Syrzentic has been identified as an agent of the

International Communist Party.

9. During 1943 SUBJECT was in contact with Col. Alexander Hess of the Czechoslovak Embassy, who has been identified as an agent of

the Red Army Intelligence

10. During 1946 and 1947 SUBJECT maintained close and sympathetic association with Mr. and Mrs. Nathan Gregory Silvermaster and William Ludwig Ullman. Silvermaster and Ullman have been identified as members of a Soviet Espionage Apparatus active in Washington, D.C., during the 1940's.

11. SUBJECT had a series of contacts with Laughlin Currie during the period 1945-48. Currie has also been identified as a member of

the Silvermaster espionage group.

12. During the period between 1942 and 1947 subject maintained frequent and close associations with many Communist Party members, including Richard Sasuly and his wife Eliza-

beth, Bruce Waybur and his wife Miriam, Martin Popper, Madeline L. Donner, Russell Nixon and Isadore Salkind.

13. During substantially the same period subject maintained close association with many persons who have been identified as strong supporters of the Communist conspiracy, including Samuel J. Rodman, Shura Lewis, Owen Lattimore, Ed Fruchtman and Virginia. Gardner.

A hearing, at which petitioner and his attorney were present, was held before the Eastern Industrial Personnel Security Board on April 28, 29, and 30, 1954 (R. 182-461). The Board heard the testimony of petitioner and his witnesses and received further evidence presented by petitioner. The Government called no witnesses to testify.

On the basis of this hearing, together with confidential investigation reports of the Federal Bureau of Investigation and of other investigative agencies which were contained in the file of the case (R. 182), the Board, on May 10, 1954, concluded that "the granting of clearance to [petitioner] for access to classified information is not clearly consistent with the interests of national security," and both petitioner and ERCO were so advised (R. 461-63).

On June 4, 1954, petitioner's attorney requested the Board to provide him with a copy of the transcript of the hearing, as well as a statement of findings (R. 163-64). By letter of June 9, 1954 (R. 164-65), the Executive Secretary of the Board advised the attorney that "security considerations prohibit the furnishing to an appellant of a detailed statement of the findings on appeal inasmuch as the entire file is considered and comments made by the Appeal Division panel on security matters which could not for security reasons form the basis of a statement of reasons." (R. 465). A transcript of the hearing was subsequently forwarded to petitioner's attorney (R. 30):

On August 20, 1954, petitioner's complaint in this action was filed in the district court (R. 1-9). (See pp. 4-5, supra.) Subsequently, on February 2, 1955. the Security Clearance Directive of May 4, 1953 (supra, pp. 6-8), was superseded by the Industrial Personnel Security Review Regulation issued by the Secretary of Defense. This regulation established the Industrial Personnel Security Review Board inter alia, and gave it jurisdiction to review adverse decisions of the prior regional boards at the request of the individual concerned, for good cause shown (App., infra, p. 28a). Petitioner duly appealed to that Board, filing a brief and supporting affidavits (R. 22-23). By letter of March 12, 1956 (R. 22-24), the Board notified petitioner that it had affirmed the decision of the Eastern Industrial Personnel Security Board on the ground that its findings were supported by the evidence and other material before The letter stated (R. 23-24):

After a review of all the information in the case * * * the Review Board has entered its

^{*}This regulation in its entirety is contained in the original record at pp. 538-62. Pertinent portions are reprinted in the Appendix, infra, pp. 26a-28a.

determination in this matter. This determination, which affirms the decision of the Eastern Industrial Personnel Security Board entered on May 10, 1954, is that, on all the evidence, Mr. Greene's access to classified information is not clearly consistent with the interests of national security.

In reaching this determination, the Review Board reviewed the findings of the Eastern Industrial Personnel Security Board in accordance with its mandate under the above regulation, and determined that there was substantial support for said findings in the evidence and other material before the Review Board.

The findings of the Appeal Division, Eastern Industrial Personnel Security Board included,

among other things, the following:

1. That during the period from 1942 to 1947, knowing of their activity on behalf of the Communist Party and sympathizing with it, Mr. Greene associated closely with his ex-wife, Jean Hinton, Mr. and Mrs. Richard Sasuly, Mr. and Mrs. Bruce Waybur, Martin Popper, Russell Nixon, Isadore Salkin, Shura Lewis, and Samuel J. Rodman, all of whom were members of the Communist Party or active in its behalf.

2. That in 1946 and 1947, knowing of their sympathy for the Communist Party, Mr. Greene associated closely with Mr. and Mrs. Nathan Gregory Silvermaster, William Ludwig Ullman, and Lauchlin Curry, all of whom have engaged in espionage on behalf of the Soviet Union.

3. That for a number of years beginning in 1942, Mr. Greene maintained a sympathetic association with a number of officials of the

Soviet Embassy, as set out in the Statement of Reasons furnished to him.

4. That from 1942 to 1947 Mr. Greene's political views were similar to, and in basic accord with, those of his ex-wife, Jean Hinton.

5. That Mr. Greene was a member of the Washington Book Shop Association; invested money in and became a director of the Metropolitan Broadcasting Corporation; attended a function of the Southern Conference of Human Welfare; and had in his home a number of Communist publications as set out in the Statement of Reasons furnished to him.

6. That Mr. Greene's credibility as a witness in the proceedings before it was doubtful.

In reaching its determination in this case, the Review Board concluded, on the basis of the above findings, that Mr. Greene had been in close contact with a number of individuals who were either trusted officials of the Soviet Union or members of the Communist Party actively engaged in its work; that these associations were undertaken and continued with knowledge of the sympathies and activities of these individuals; and that he has been sympathetic towards the Communist Party and the Communist movement.

In addition, the Appeal Division, Eastern Industrial Personnel Security Board, had strong doubts as to Mr. Greene's credibility as a witness. These doubts were shared by the Review Board. This lack of credibility goes to the heart of the concept of trustworthiness, upon which all security, clearances ultimately rest.

Longstanding policy has dictated that only those persons who are determined to be trustworthy shall have access to classified information (For the latest expression see EO 10501). The Review Board found that such a determination could not be made in Mr. Greene's case, and, therefore, that the decision of the Appeal Division, Eastern Industrial Personnel Security Hearing Board, must stand.

2. Proceedings below. A stipulation of facts having been filed in the district court (R. 27), both parties moved for summary judgment (R. 470, 474-75). The court granted summary judgment for respondents and ordered the complaint dismissed (R. 479), holding (R. 476-79) that petitioner's discharge resulted solely from his employer's willing agreement to abide by security requirements; that in so contracting the Government was acting properly to protect itself against threats to its survival; and that petitioner accordingly had shown no invasion of his legal rights. The court stated further that, assuming arguendo that petitioner was entitled to a hearing and review, the record failed to show any violation of procedural due process.

The court of appeals unanimously affirmed (R. 480-97). It noted that petitioner did not contend that officials of the Department of Defense had failed to comply with any of the applicable regulations under which they had proceeded, or that they had improperly classified the contract work to which petitioner had been denied access (R. 485). It also noted that the relief which petitioner seeks would require a court order "to compel the Government to disclose its classified defense information to a person—himself—whom the Secretary of Defense considers unworthy of such access" (ibid.). The court held that the Department of Defense industrial security pro-

gram was fully authorized; and that the Secretary of Defense had the power to classify defense information, to designate the persons qualified for access to such information, and to make regulations establishing the methods and procedures for carrying out this function (R. 485-89). It also held that the security program was not unreasonable in its coverage or procedures and that the lack of "confrontation" and full disclosure of investigative reports did not, in the circumstances of this case, violate any of petitioner's constitutional rights (R. 489-96). The court stated that this was not a case where the Government had undertaken to regulate an area of private employment or private enterprise, but only a case where it had denied an individual access to its own military secrets, and that no court had ever required the Government to disclose such information contrary to its own wishes. In view of these considerations, the court held that no justiciable controversy was presented, despite the fact that serious practical consequences to petitioner may have resulted.

SUMMARY OF ARGUMENT

J

The power on which the industrial security regulations are based is the inherent power of the executive

The Defense Department advises that all clearances at all levels granted under the Industrial Security Program during the years 1949 through 1958 (November 21, 1958) totaled approximately 3,500,000. No figures are available for the number of denials or revocations of clearance during the years 1949 to July, 1952. From July 1953 to August 31, 1958, the total number of cases involving derogatory information of sufficient seriousness to require consideration of possible clearance denial or revocation was 3,459. During that period, the total number of denials and revocations was 1,006.

to have and protect military secrets in the course of executive operations. Having the power to protect secrets, the executive may provide procedures for determining to whom classified information may be disclosed, and may instruct recipients of such information not to disclose it to unauthorized persons. No statitory authorization is needed. If, however, a statutory source of the power to have and control secret information be deemed essential, the power can be inferred as a necessary implication from the legislation creating the defense establishment. In any event, there is no applicable statutory limitation on the power, and the only substantial question presented is whether any constitutional limitations forbid the exercise of the power which is here involved.

Π

The basic constitutional question is whether the interest in being permitted access to classified information, and thus being able to work on classified government contracts, is "liberty" or "property" entitled to the procedural protections of the Fifth Amendment. That question depends not only upon the substantiality of the injury resulting from governmental action, but also upon the nature of the interest affected.

A. In controlling the dissemination of classified information, the Government acts in a proprietary capacity—i.e., in the management and protection of property committed to its custody for governmental use. Private persons are allowed access to such information solely for the convenience of the Government and they acquire no interest that can be described as more than a permissive use. It is clearly not an

interest that has traditionally been accorded legal protection.

- 1. Such action by the Government in the control of its own property is very different in nature from the exercise of a legislative or regulatory power affecting the legal rights and duties of private persons at large. In the cases involving private employment, relied upon by petitioner, the governmental interference was of the latter type, imposing a legal disability upon the person affected (e.g., by denial of a license to engage. in an occupation, Schware v. Board of Bar Examiners, 353 U.S. 232; Parket A. Lester, 227 F. 2d 708 (C.A. 9)). Even assuming arguendo that the practical consequences to petitioner of the Government's withholding of its secrets from him might be the same as a legal bar to his employment in the aircraft industry, the distinction between the nature of the interests involved is deeply rooted in our faw. See Perkins v. Lukens Steel Co., 310 U.S. 113.
- 2. Governmental action may, however, be subject to certain kinds of constitutional restraints even though the interest affected does not appear to be otherwise legally-protected. Thus, although there is no "right" to government employment, this Court has observed that "Congress may not 'enact a regulation providing that no Republican, Jew or Negro shall be appointed to federal office.' " United Public Workers v. Mitchell, 330 U.S. 75, 100. See also Wieman v. Updegraff, 344 U.S. 183, and Slochower v. Board of Education, 350 U.S. 551, holding that dismissals from state employment on the basis of an arbitrary statutory standard violated "substantive" due process. The underlying basis of these cases,

we submit, is that there is an affirmative right granted by the Constitution itself for one to be free of certain kinds of discrimination by the state, regardless of the nature of the interest affected—a concept, although part of "substantive" due process, closely akin to that of the equal protection clause. The same is not true, however, of "procedural" due process; procedure is not an end in itself and some substantive interest must first be recognized before procedural due process can be claimed. Thus, there remains the problem of defining the Rinds of interests qualifying as "life, liberty, or property," and of determining whether petitioner's interest falls in that class:

B. Recognition of petitioner's interest in obtaining access to classified information as "property" or "liberty" entitled to constitutional protections would inevitably require a departure from the traditional reluctance of the courts, because of considerations implicit in the constitutional separation of powers, to interfere with the internal affairs of the Government. See Decatur v. Paulding, 14 Pet. 497, 516. One such area of noninterference has been in the award of contracts. Another is the removal of government employees, the history of which was summarized in Bailey v. Richardson, 182 F. 2d 46, 57 (C.A.D.C.), affirmed by an equally-divided Court, 341 U.S. 918: "Never in our history has a Government administrative employee been entitled to a hearing of the quasi-'judicial type upon his dismissal from Government service."

The reasons for not restricting the executive's power to control military secrets are even more persuasive, for here we are dealing with the most vital

ordered Commences

interests of the nation. Judicial supervision in this field will involve the courts in passing judgment on the executive's appraisal of the requirements of the national security, a function which they are illequipped to perform. In this case, for example, petitioner seeks the production of confidential informants, while the executive department has concluded that the disclosure of such informants would jeopardize its intelligence systems, as, for example, by the loss of essential informants who will not supply information other than under assurances of strict confidence. Whatever the merits of the dispute over the necessity for such measures, we submit that it is not the kind of issue the courts are competent to resolve.

The extent of the potential conflict of executive and judicial powers is emphasized by the relief sought in this case. Petitioner seeks, in effect, an order requiring that he be given access to classified information. Any such order would no doubt permit the Government to provide another hearing meeting the procedural requirements imposed, but if the requirements include confrontation, the alternative would equally require revealing information the secrecy of which the executive deems to be required by the national security. Such a decree would amount to mandamus of the executive to disclose one of the two kinds of secret information (i.e., classified contract data or confidential informants), and thus conflict directly with a most important prerogative of the executive branch.

There is thus an important distinction between this case and cases where the Government is not forced to reveal secret information but has the option, instead, of suffering some other consequence, such as foregoing

prosecution. Cf. Jencks v. United States, 353 U.S. 657. There is also a significant distinction between this case and the discharge of government employees, for in the latter case it may be possible to remove the employee from access to classified information without dismissing him. Here, the Government has no such choice. Recognizing a constitutional right of confrontation would, in substance, subject the Government to compulsory process to disclose one kind or the other of state secrets. The Government would have no other alternative because it cannot compel the employer to retain petitioner in some non-sensitive post.

Recognition of the interest asserted here may also impinge upon the executive's traditional powers in the award of contracts. If, having given a suspected employee a clearance rather than disclose the confidential information against him, the Government remains free to refuse to award further classified contracts to the contractor, the employee's alleged "right" may not be of substance—although both the Government and the contractor may be injured. If, on the other hand, the Government is junder a duty not to deny further contracts for that reason, its freedom in contracting has been impaired.

C. If petitioner's interest in obtaining access to classified information is not itself a right entitled to constitutional protection, it is not made so by the alleged consequential injury to reputation. The governmental action taken was the minimum necessary to withdraw the Government's secrets from petitioner and no characterization was attributed to petitioner beyond that inherent in the action itself. If the Government's withholding of information from petitioner

was otherwise lawful and privileged as an exercise of its right to control its own property, it is not made unlawful by the consequential damage to reputation. Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, and Harmon v. Brucker, 355 U.S. 579, involving essentially gratuitous labelling or publication independent of any other substantive action, are not in point.

In any event, petitioner's right to the relief he seeks—restoration to access to classified information—must be predicated upon a right to that access as such. If the only protected interest is the interest in reputation, that relief would be inappropriate.

III

A. Even if the procedural requirements of the due process clause are applicable, petitioner's rights were not violated by the use of information the sources and details of which were not disclosed to him. The record reveals that petitioner had adequate opportunity to know the general grounds upon which his security clearance was revoked and to attempt to explain or refute the facts underlying those grounds. He did not deny the essential facts but only attempted to explain their significance and to suggest the inferences which should properly be drawn from them. Nondisclosure did not unduly hamper petitioner's presentation of his case.

B. Such withholding of sources and details of information was justified by considerations of national security and adequate protection of investigative sources and techniques. This public interest is so essential that petitioner's interest in full disclosure must be accommodated to it. In other situations where the national interest has been an overwhelming one, this Court has sustained the use of confidential information even though constitutional or statutory rights were at stake. Carlson v. Landon, 342 U.S. 524; United States v. Nugent, 346 U.S. 1. The case of Parker v. Lester, 227 F. 2d 708 (C.A. 9), relied on by petitioner, is distinguishable, and is not persuasive to the contrary.

ARGUMENT

- I. THE REGULATIONS ESTABLISHING THE INDUSTRIAL SE-CURITY PROGRAM ARE BASED ON THE EXECUTIVE POWER OF THE PRESIDENT AND DO NOT VIOLATE ANY STATUTORY RESTRICTIONS
- 1. With petitioner's contention that the Industrial Security Program is not explicitly authorized by statute we may readily agree, for no such authorization is necessary. The power of the executive department to control, in the internal operations of the executive branch, the dissemination of ecret military information in its custody is peculiarly and primarily an executive power. It does not depend upon a congressional grant of power, but flows from the constitutional vesting of the "executive Power" in the President and the President's powers as "Commander in Chief of the Army and Navy." While Congress might constitutionally limit the power or impose restrictions on how it might be exercisedjust as Congress may, within limits, confine the President's otherwise inherent removal power-the source of the executive power lies in the Constitution, not

in congressional enactments. If doubt there could be. it is resolved by 170 years of history. There have been military secrets since the beginning of the republic, and a "secret" can exist only by virtue of the power of the executive to instruct subordinates not to reveal information to unauthorized persons. So essential is this power to the functioning of the Government that until now its basic existence has never been questioned. And this Court, although dealing with related questions such as the executive's privilege to withhold information even in judicial proceedings against it, has never questioned the power of the executive to withhold military information from private persons in the ordinary course of executive business. See, e.g., United States v. Reynolds, 345 U.S. 1; Totten v. United States, 92 U.S. 105.

If the executive may decide to whom it will disclose its military secrets in the course of its operations—we are concerned now only with the existence of the general power, not with possible constitutional or statutory limitations upon it—it necessarily follows that it may exact from the recipient of the information a promise not to disclose it to other persons except as authorized. The Industrial Security Program rests equarely upon that foundation. The "power" involved—if it is useful to give it such a name—is simply the right to require recipients of military secrets to keep them secret. In short, if the executive may have military secrets at all, it may have an industrial security program.

In turn, if the executive may say to whom secret military information may be revealed in these circum-

stances, it necessarily has power-again, we are not here concerned with the limitations upon the powerto establish procedures to enable it to decide who may see the information. It could conceivably do this by undisclosed determinations by security officers informally communicated to contractors, or by the withholding of classified contracts from contractors with doubted employees. Contractors anxious for government contracts would no doubt comply whether or not they were contractually obligated to do so, and the employee's discharge would normally follow without explanation or an opportunity to refute the charges. How extensive such informal practices were before the formalization of the Industrial Security Program one can only surmise, but the formal Industrial Security Program must be viewed as resting on the same kind of power and as being, in essence, an attempt to provide greater procedural protections to doubted employees by telling them the nature of the information against them and giving them an opportunity to rebut it. The regulations establishing the Industrial Security Program are, in short, instructions to subordinates on how to exercise the indisputable and inherent power of the executive to withhold military secrets from private persons and do not depend for their validity on any legislative grant of power.

2. If, contrary to our view, it be thought that there must be some statutory grant of power for the executive branch to have and keep military secrets, it can be inferred, as a necessarily implicit authority, from the generalized provisions of the legislation providing for the organization of the defense establishment and

giving to the Secretaries the power to administer their respective departments and to control departmental property and procurement. National Security Act of 1947, 61 Stat. 495, as amended, 5 U.S.C. 171, ct seq. Such a construction of the Act creating the Defense Department would seem in reality, however, to be but another recognition of the necessarily inherent character of that power.'

Arguably such a grant of power may also be inferred, if necessary, from the provisions of the Armed Services Procurement Act of 1947 authorizing contracts to be negotiated without advertising when the agency head determines that the contract "should not be publicly disclosed" and providing that such contracts "may be of any type which in the opinion of the agency head will promote the best interests of the Government." 41 U.S.C. (1952 ed.) 151(c)(12), 153(a), later recodified with minor changes as 10 U.S.C. (Supp. V) 2304(a) (12), 2306(a). At the very least, this reflects a recognition by Congress of the existence of military secrets, making it necessary to exempt contracts involving such secrets from the requirement otherwise imposed that contracts be publicly advertised. The statutes making disclosures of certain kinds of classified information a crime (none of them applicable here) also constitute a recognition of the existence of secret information, affording it in the particular instances the additional protection of criminal penalties. E.g., 18 U.S.C. 798 (information concerning cryptographic or intelligence activities); 50 U.S.C. 783(b) (disclosure to a member of a "Communist organization" of any information "classified * * * as affecting the security of the United States" by the agency head). The so-called "housekeeping" statute authorizing department heads to prescribe regulations governing. "the custody, use, and preservation of the records, papers, and property appertaining to it," although it has in the past been construed as an affirmative grant of a power to keep military secrets beyond that inherently possessed by the executive, has recently been amended to make clear that it grants no such authority. 5 U.S.C. 22, as amended by 72 Stat. 547.

3. Whether the power of the executive to control access to secret military information in its custody be deemed a necessary part of the "executive Power" conferred upon the President by the Constitution, or a necessary inference from the statutes establishing the Defense Department and authorizing military procurement, it is clear in any event that Congress has not undertaken to regulate the power or to prescribe how it should be exercised. Thus no claim is made, or could be made, that the action taken in this case violated any statutory restrictions. Similarly, no claim is made that there was a failure to comply with the regulations establishing the formal program or that the regulations were not authorized by the President. Accordingly, since we do not believe that

It is noteworthy that Congress has continued to appropriate funds to finance the Industrial Security Program as part of the operating expenses of the service departments. See, e.g., Hearings before the Subcommittee on Department of Defense Appropriations for 1956 of the House Committee on Appropriations, 84th Cong., 1st sess., 774-81 (1955). Such appropriations constitute legislative ratification of the program. Fleming v. Mohawk Wrecking & Lumber Co., 331 U.S. 111, 116; Brooks v. Dewar, 313 U.S. 354, 361; cf. Panama Canal Co. v. Grace Line, Inc., 356 U.S. 309, 319.

Presidential regulations for the protection of security information were prescribed by Executive Order 10290, 16 Fed. Reg. 9795 (Sept. 24, 1951), and Executive Order 10501, 18 Fed. Reg. 7049 (Nov. 5, 1953). Paragraph 30(b) of the former provided that:

[&]quot;Classified security information shall not be disseminated outside the Executive Branch by any person or agency having access thereto or knowledge thereof except under conditions and through channels authorized by the head of the disseminating agency, even though such person or agency may have been solely or partly responsible for its production." (In. continued)

the general power of the executive to establish procedures to control the dissemination of classified military information in the course of executive operations can be doubted, the substantial question posed by this case is whether the particular procedures followed violated petitioner's constitutional rights. It is to that question that we now turn.

II. THE INTEREST OF A PRIVATE PERSON IN HAVING ACCESS
TO CLASSIFIED DEFENSE INFORMATION IN ORDER TO BE
ABLE TO WORK ON CLASSIFIED GOVERNMENT CONTRACTS
IS NOT "LIBERTY" OR "PROPERTY" ENTITLED TO PROCEDURAL DUE PROCESS PROTECTIONS

A consideration of the nature of petitioner's interests and of the extent to which they are entitled to the procedural protections of the due process clause is not simply an exercise in formalism. The allocation of functions, and therefore of responsibilities, among the legislative, executive, and judicial branches is no less important to our democratic traditions than the resolution of conflicts between the state and the individual. Thus, the issue in this case is not alone, as petitioner would have it, whether the limitations on the procedural safeguards provided by the industrial security regulations are necessary or unnecessary. These are questions debated within the executive department itself and on which reasonable persons can, and do, differ. There is, however, the preliminary, and equally

A similar provision is contained in paragraph 7(b) of Executive Order 10501. Thus, petitioner can derive no support from the presidential regulations which, like the applicable statutes, leave to the heads of the departments the development of operational procedures.

significant, question whether the issue is one appro-

priate for judicial resolution.

We do not think the issue can be fruitfully discussed in terms of petitioner's "standing," for the action taken in his case clearly affects sufficient interests to enable him to assert whatever rights he may have. The question is essentially one going to the merits and turns on whether petitioner has any "rights" which traditionally have been, or ought to be, accorded judicial protection. In its primary form the issue is whether petitioner's interest in access to classified defense information amounts to "liberty" or "property" of which he cannot be deprived without due process of law. It is not enough that petitioner has been seriously hurt by the action taken, for it is not true, as asserted, that procedural due process is required whenever substantial interests are affected by governmental action. Every day there are substantial interests affected in one way or another by legislative or administrative action which cannot calf upon the procedural protections of the Fifth or Fourteenth Amendments.10 For constitutional protection to be afforded, some "liberty" or "property" must first be deprived. These are, of course, not terms of immutable content; but they are limitations on the scope of the due process clause and require distinctions, not only on the basis of the sub-

¹⁰ For example, denial of contracts or selection of contractors; the determination with whom the Government will deal; ixing the terms and conditions upon which the Government will contract; the determination of federal grants and aids, refusal to hire; refusal to make loans; changes in federal borrowing policies and procedures; changes in interest rates or central-bank practices; a decision by the Department of Justice to prosecute or not to prosecute, to bring a civil suit or not, to appeal an adverse judgment or not; etc.

stantiality and directness of the impact of government activities, but also on the basis of the "nature" of the interests affected. They afford the dividing line between those interests which are judicially protected against governmental interference and those for protection of which reliance must be placed upon the other branches of government. "Courts are not," as Mr. Justice Stone said, "the only agency of government that must be assumed to have capacity to govern." United States v. Butler, 297 U.S. 1, 87.

A. ACCESS TO CLASSIFIED DEFENSE INFORMATION IS A PERMISSIVE USE OF PROPERTY AFFORDED BY THE GOVERNMENT SOLELY FOR ITS OWN CONVENIENCE AND NO ANALOGOUS INTEREST HAS BEEN RECOGNIZED AS LEGALLY PROTECTED

1. We do not deny that the withdrawal of petitioner's security clearance operated, as a practical matter, to cause him to lose his position with ERCO, since his lack of access to classified information terminated his usefulness to the company. It may also be true, as petitioner alleges, that he has been seriously hampered by that action in obtaining other work for which his talents are particularly suited. The fact remains, however, that the subject matter of the Government's action, and the only power asserted by it, was the refusal to disclose to him, a private person, secret military information in its custody " and for the protection of which it was responsible. Such information is made available to private persons solely

That the information was in the physical possession of the contractor obviously makes no difference. By conditioning release of the information to the contractor upon the contractor's agreement to comply with the procedures prescribed for safeguarding the information, the Government in effect retained full control over its use and dissemination.

for the convenience of the Government—when necescary to have supplies made or services performed and not to confer benefits or advantages upon the recipient. If the recipient has any interest at all in access to the information, it can be described only as a "permissive use" for the primary convenience and benefit of the Government. When, therefore, the Government determines that it is no longer to its interest that a private person have access to such information, it is exercising its proprietary power over property committed to its custody, to terminate an arrangement, at sufferance, entered into for its own convenience and benefit.

The interest of petitioner affected by such action is not one that has traditionally been accorded legal protection. Petitioner's attempt to analogize the action to an interference with contractual relations is unsupportable, for there can be no doubt that a private person would be legally free to take precisely the same action for the protection of his trade secrets. The effort here is not to subject the Government to duties comparable to those of a private person but to subject it to greater duties because it is the Government, and it is in that light that the question must be viewed. In reality, the issue is whether petitioner's interest is one entitled to constitutional protections notwithstanding that it is not otherwise accorded recognition in our law.

2. The action of the Government in this case—the withholding from petitioner of its own military secrets—is very different in nature from the exercise of a legislative power to affect the legal rights and duties of private persons at large. In licensing cases, for

example, the administrative denial of a license derives its force from a statute making it illegal to engage in the activity without one. Thus the effect of the administrative action is to impose a legal disability upon the person denied the license. The imposition of such a disability is true of all the cases involving private employment relied upon by petitioner: Parker v. Lester, 227 F. 2d 708 (C.A. 9), seamen and longshoremen were permanently barred from their occupation and employment by private shipowners unless cleared by the Coast Guard, whether or not government contracts or shipments were involved; Schware v. Board of Bar Examiners, 353 U.S. 232, where admission to the bar was a prerequisite to the private practice of law; Cummings v. Missouri, 4 Wall. 277. and Ex parte Garland, 4 Wall: 333, where adherents to the Confederacy were barred from religious teaching and the practice of law; and Truax v. Raich, 239 U.S. 33, where employment of aliens in excess of a prescribed member in one of the "common occupations of the community" was forbidden.12 It was also true of the passport cases, where departure from the country without a passport was made illegal. Kent v. Dulles, 357 U.S. 116.

It may be that the withholding of military secrets from petitioner might have the same practical consequences as would a legal bar to his employment in the aircraft industry. But to say that for that reason the two actions must be subject to the same restrictions is to ignore the whole history of the

¹² See also Morgan v. United States, 304 U.S. 1, involving government rate regulation of marketing agencies, and Yick Wo v. Hopkins, 118 U.S. 356, involving a state licensing practice found to be racially discriminatory.

development of legal rights and constitutional protections, in which the nature of the interest, and not simply the substantiality of the injury, has been of controlling importance. The difference in the nature of the powers asserted is crucial: in the one case, the Government is asserting a legislative power to regulate, by creating legally-enforceable rights and duties, an industry or a class of persons at large and to control their dealings with one another; in the other case, it is exercising a power, no different in pature from that of any private person in respect to his own property, to control the use of its own property.

That distinction is deeply pooted in our law. It has, for example, been frequently asserted as the basis for denying the standing of government contractors to object to administrative action by which they are deprived of the award of contracts. In the leading case, Perkins v. Lukens Steel Co., 310 U.S. 113, bidders sought to enjoin the inclusion in proposed contracts of provisions requiring them to pay the prevailing wage in the "locality" as determined by the Secretary of Labor, alleging that the Secretary's determination was in violation of the statute, would prevent them from competing with bidders in other areas, and would thus cause them irreparable injury. The Court, in an Sopinion by Mr. Justice Black, held that the bidders had no standing to challenge the legality of the Secretary's action:

We are of opinion that no legal rights of respondents were shown to have been invaded or threatened * * *. It is by now clear that neither damage nor loss of income in conse-

quence of the action of Government, which is not an invasion of recognized legal rights, is in itself a source of legal rights in the absence of constitutional legislation recognizing it as such.

* * [p. 125]

Like private individuals and businesses, the Government enjoys the unrestricted power to produce its own supplies, to determine those with whom it will deal, and to fix the terms and conditions upon which it will make needed purchases. * * * Judicial restraint of those who administer the Government's purchasing would constitute a break with settled judicial practice and a departure into fields hitherto wisely and happily apportioned by the genius of our polity to the administration of another branch of Government. [pp. 127-28]

The Act does not represent an exercise by Congress of regulatory power over private business or employment. In this legislation Congress did no more than instruct its agents who were selected and granted final authority to fix the terms and conditions under which the Government will permit goods to be sold to it.

* * * [pp. 128-29]

The confested action of the restrained officials did not invade private rights in a manner amounting to a tortious violation. On the contrary, respondents in effect seek through judicial action to interfere with the manner in which the Government may dispatch its own internal affairs. And in attempted support of

the injunction granted they cite many cases involving contested Government regulation of the conduct of private business. Their cited cases, however, all relate to problems different from those inherent in the imposition of judicial restraint upon agents engaged in the purchase of the Government's own supplies. [pp. 129–30]

The effect of the Secretary's wage determination in that case upon a contractor dependent entirely upon government contracts would obviously be the same as a legal duty to pay the prescribed wage imposed by "an exercise by Congress of regulatory power over private business," and it requires no citation of authority to show that in the latter event the contractor would have been entitled to challenge an allegedly illegal determination by the Secretary.

Not only does the Lukens Steel case demonstrate the essential difference between action by the Government in its proprietary capacity and its action in a regulatory capacity, but it also shows that those dealing with the Government in its former capacity ordinarily do not acquire any interest entitled to judicial protection. In turn, if the interest one has in obtaining government contracts—or, as in this case, in working on them—is not sufficiently significant for protection against action in violation of express statutory commands (as was alleged in Lukens), it is difficult to see how it can amount to "liberty" or "property" which, under the Fifth Amendment, can be taken from him only by a trial-type hearing. See also Brief for the Panama Canal Company,

Panama Canal Co. v. Grace Line, Inc., Oct. Term, 1957, Nos. 251-252, at pp. 46-49, 101-04.

3. It is true that the fact that an interest is not accorded judicial protection for other purposes does not necessarily mean that governmental action affecting it is entirely immune from constitutional restraints. Thus, for example, although no one has a "right" to government employment in any meaningful sense, this Court has observed that "None would deny" that "Congress may not 'enact a regulation providing that no Republican, Jew or Negro shall be appointed to federal office':" | United Public Workers v. Mitchell, 330 U.S. 75, 100. Similarly, in Wieman v. Updegraff, 344 U.S. 183, 192, the Court held unconstitutional a denial of state employment on grounds of innocent membership in allegedly subversive orgarizations, stating: "We need not pause to consider whether an abstract right to public employment exists. It is sufficient to say that constitutional protection does extend to the public servant whose exclusion pursuant to a statute is patently arbitrary or discriminatory." See also Slochower v. Board of Education, 350 U.S. 551, holding that automatic dismissal from state employment on the sole ground that the employee invoked the Fifth Amendment privilege against self-incrimination before a federal legislative committee violated due process.

From these cases, it follows that, although no one has a legal right to access to military secrets, the Government could not establish a policy of denying access to classified defense information solely on the basis of color or some other ground bearing no rational rela-

tionship to a legitimate governmental object.13 To assert, however, that it also follows that a trial-type hearing must be afforded in applying a proper substantive standard is to ignore an important and fundamental difference between "substantive" and "procedural" due process. We suggest that the true explanation of the Public Workers-Wieman-Slochower line of cases is an evolving doctrine that the Constitution itself creates an affirmative right, regardless of the nature of the interests affected or of the protection otherwise afforded them, not to be discriminated against by state or federal government on the basis of an invidious classification.

proven success in preventing espionage.

¹³ There is no merit to petitioner's apparent suggestion that there was no rational basis for the denial of his security clearance (Br., pp. 58-64). The facts found in the statement of reasons and findings (supra, pp. 9-11, 12-15) obviously bear a close relationship to the requirements of the national security in protecting classified information, and the validity of the program is clearly not to be tested, as petitioner suggests, by its

Equally without merit is the contention that the criteria 'provided by the regulations are unconstitutionally vague (Br. 51-52; Br., American Civil Liberties Union, pp. 23-27). substance, the regulations require a judgment to be made by appropriate executive officials whether a contractor's employee is sufficiently trustworthy to warrant granting him access to defense secrets. The granting of such access must be "clearly consistent with the interests of the national security" so that no substantial doubt exists of the employee's trustworthiness. These are obviously matters of judgment and discretion, incapable of precise and detailed definition, and the boards are thus admonished to make an over-all, common-sense, determination. In all events, the only purpose of the criteria is to guide subordinates in the exercise of the authority delegated to them; they do not prescribe standards of conduct for viola-tion of which penalties are imposed and thus need not meet the tests of definiteness required of criminal statutes.

The evil condemned is the discrimination itself, and it is not essential that the governmental action affect any other legally-recognized interest apart from the right to be free from discrimination. In its procedural requirements, on the other hand, the due process clause is necessarily a purely negative command; one does not have a "right" to have a fair hearing but only a right not to be deprived of certain kinds of interests without a fair hearing. Accordingly, an existing interest must be recognized independently of the due process clause before its procedural requirements become applicable.

Although the Court has not made this distinction explicit, it is one expressly made in the Fourteenth Amendment in the difference in wording between the equal protection clause and the due process clause: while the command of one is that no person shall be deprived of "life, liberty, or property, without due process of law," the command of the other is simply that no person shall be denied "the equal protection of the laws." The latter is absolute, while the former is in terms applicable only to a deprivation of life, liberty, or property. We suggest that, in the development of "substantive" due process, much of the concept of the equal protection clause has, in effect, been incorporated into the due process clause (cf. Bolling v. Sharpe, 347. U.S. 497) and it is primarily that concept-an invidious classification by the state in itself offends the Constitution regardless of the nature of the interests that are the subject matter of the action-that explains the Court's holdings that an arbitrary classification of persons excluded or expelled

from public employment violates due process whether or not there is a "right" to public employment.

But while this interest protected by "substantive" due process springs, in some cases at least, from the Constitution itself (i.e., the interest in being free from official discrimination), the interest sought to be protected by procedural due process must spring from other sources and have an existence independent of the interest in procedural due process. While freedom from discrimination on invidious grounds (e.g., color, religion, etc.) may be an end in itself, procedure is a means rather than an end. Its function is to minimize possibilities of error or unfair evaluation in dealing with some substantive interest; and a substantive interest must therefore be recognized before procedural due process can be claimed. Accordingly, whatever may be the rule in "substantive" due process cases (at least as to certain kinds of discrimination), there remains the problem, whenever a right to procedural due process is claimed, of defining the nature of the substantive interests sought to qualify as "life, liberty, or property."

4. None of the cases cited by petitioner, therefore, supports his claim that his interest in access to confidential defense information is one constitutionally protected against deprivation without procedures satisfying the standards of due process. The cases involving governmental regulation of private persons in their dealings with each other present, as we have seen, very different problems. The only cases involving analogous (though distinguishable) interests are those dealing with government employment, and each

of those involved only substantive, and not procedural, due process questions. And, although not constitutional cases, the same kind of question-the validity of the substantive standard upon which the administrative action was taken-was involved in Kent v. Dulles, 357 U.S. 116 (passports) and Harmon v. Brucker, 355 U.S. 579 (whether the character of discharge from the Army could be based on pre-service activity). In Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, the only other case on which substantial reliance is made, the official action taken would admittedly have constituted defamation at common law and thus invaded a legally-recognized right. As we show below (pp. 55-58), the alleged injury to petitioner's reputation in this case cannot afford an independent basis for invoking constitutional protection if the action taken did not otherwise violate constitutional rights.

B. CONTROL OVER MILITARY SECRETS IS AN EXECUTIVE PUNCTION WHICH HAS NEVER BEEN, AND SHOULD NOT BE, SUBJECTED TO JUDICIAL REVIEW

^{1.} For reasons implicit in the constitutional separation of powers, the courts have traditionally refused to intervene in the conduct by the Government of its internal affairs. These are matters which have wisely been left to the discretion of the executive and to correction, if necessary, by political processes. As this Court long ago recognized, and has frequently repeated, "The interference of the courts with the performance of the ordinary duties of the executive departments of the government, would be productive of nothing but mischief; and we are quite satisfied,

that such a power was never intended to be given to them." Decatur v. Paulding, 14 Pet. 497, 516." Underlying this judicial restraint is the conviction that with responsibility must also go power and that it is not on the courts alone that citizens must rely for protection: "legislatures are ultimate guardians of the liberties and welfare of the people in quite as great a degree as the courts." Missouri, K. & T. Ry. Co. v. May, 194 U.S. 267, 270; FCC v. Pottsville Broadcasting Co., 309 U.S. 134, 146.

As we have noted, one such area in which the courts have been reluctant to interfere is the award of government contracts. The executive power perhaps most closely analogous to that involved here, however, is the power of removal of government employees. In cases challenging the validity of administrative dismissals of government employees, the courts have refused to go beyond a determination that any procedural or substantive rights granted by Congress have been complied with. That history was canvassed in detail in the opinion of the court of appeals in Bailey v. Richardson, 182 F. 2d 46 (C.A.D.C.),

¹⁴ See also Perkins v. Lukens Steel Co., supra, at 131-32; Adams v. Nagle, 303 U.S. 532, 542; United States ex rel. Girard Co. v. Helvering, 301 U.S. 540, 543; United States ex rel. Chicago Gt. Western R.R. Co. v. I.C.C., 294 U.S. 50, 62; Wilbur v. United States, 281 U.S. 206, 218; Work v. Rives, 267 U.S. 175, 183; Hall v. Payne, 254 U.S. 343, 347; Litchfield v. The Register and Receiver, 9 Wall. 575, 577; Gaines v. Thompson, 7 Wall. 347.

¹⁵ Subject, of course, to the requirement that the statutory grounds for dismissal may not be patently arbitrary or discriminatory. See the discussion of the Wieman and Slochower cases, supra, pp. 36–39.

affirmed by an equally-divided Court, 341 U.S. 918, upholding the constitutionality of the dismissal of government employees on loyalty grounds without confrontation of witnesses, and need not be repeated here. It is sufficient to say, as the court of appeals there concluded, that "Never in our history has a Government administrative employee been entitled to a hearing of the quasi-judicial type upon his dismissal from Government service" (p. 57), and that no court has ever held such process to be required.

Of course, due process is not a static concept and pages of history, for all their significance, do not necessarily control in the face of new circumstances and new problems. But the assertion that the problems presented by modern day loyalty-security programs are essentially different in nature from the age-old problems of internal administration of the Government cannot be accepted without qualification. The extensive expansion of government activities means that larger numbers of people are affected, but it is not clear why that should affect the allocation of responsibility as between the branches of government. To the contrary, the great expansion in the responsibilities of the Government gives added significance to the need for broad discretion and flexibility in determining how these responsibilities should be carried out. Nor does it seem relevant to the scope of the constitutional protections that many persons, rather than a few, suffer the same kind of injury; the rights, like the injuries, are individual.

And while loyalty-security tests, though by no means a creation of this generation, may have as-

sumed a new importance in recent years, we doubt that there is a constitutional distinction between the injury to persons dismissed on such grounds and, for example, that suffered by one dismissed, without criminal conviction, for accepting bribes (Eberlein v. United States, 257 U.S. 82), theft (Kent v. United States, 105 C. Cls. 280), or attempted seduction by force (Golding v. United States, 78 C. Cls. 682, certiorari denied, 292 U.S. 643). Yet, in those cases the courts have refused to find interests of sufficient character to be protected by procedural due process.

2. What is true of the executive's power to dismiss government employees is true with redoubled force of the power to say which private persons may have access to secret military information, for here we are dealing with the most vital interests of the nation. In no area is the constitutional responsibility of the executive branch any greater or any clearer; if there are to remain any powers of the executive free of judicial restraint, they must surely include the ultimate control of confidential defense information.

It does not appear to be questioned in this case that the final responsibility to determine which private persons may see military secrets must lie in the executive; that the executive may ultimately act in this area on mere doubts or simply a lack of complete confidence; and that the ultimate determination and judgment of the executive are not judicially reviewable. Notwithstanding the discretionary nature of the ultimate judgment, however, petitioner contends that he is constitutionally entitled to an

opportunity, in a trial-type hearing, to put his case before the officials who are to make the judgment before they exercise their discretion. This notion of a constitutionally-required hearing for action which may, if necessary, be based on no more than doubt and which itself is not judicially reviewable is a unique one. As Judge Wyzanski has observed (Von Knorr v. Miles, 60 F. Supp. 962, 971 (D. Mass.)), judgment vacated on other grounds, sub nom. Von Knorr v. Griswold, 156 F. 2d 287 (C.A. 1):

Notice, hearing, counsel and the like are admittedly usually appropriate criteria of due process of law. But these guarantees have significance only if in the end the government's right to act turns on an official finding that certain facts exist. Where in rare cases such orders excluding persons from defense plants in war time, the government's right to act is absolute and not dependent upon the facts concerning, or the merits of, any particular case, the formalities of a notice, hearing and counsel are not requisite. No matter what evidence might be offered by counsel for the government or counsel for the individual, the government would remain legally free to disregard the testimony and rely upon its uncorroborated suspicions. [Citations omitted.]

Prime Minister St. Laurent, in a statement to the Parliament of Canada dealing with the problem of security among government employees, similarly emphasized the non-adjudicative character of security determinations (Dominion of Canada, House of Commons Debates, 1951, vol. II, 2d Sess., pp. 1504-1506;

see Ass'n of the Bar of the City of New York, The Federal Loyalty-Security Program 201 (1956)):

innocence of some particular charge. The sole question is whether a certain person can or cannot be entrusted with secret defence material. It would give a completely false atmosphere to the matter if it were assumed that reliability can somehow be put beyond doubt by meeting formal charges—or indeed, that reliability cannot be brought into doubt except on the basis of formal charges. Assessment of character may be the only consideration in some instances. That is not a matter of charges, or of trial or of proof. It is a matter of judgment.

While the political branch of the Government has the undoubted power to afford a hearing before taking security measures, notwithstanding the nature of the issue to be determined, we question how the interest in such an "advisory" hearing can rise to constitutional dignity.

3. More importantly, imposing constitutional restrictions on the procedures chosen by the executive to control the dissemination of classified military material must inevitably involve the courts in passing judgment on the executive's appraisal of the requirements of the national security, a function which the courts are ill-equipped to perform and which would result in an undue interference with the executive's primary responsibility for the protection of information relating to the national security.

This very case provides a forceful example. If a constitutional right to a hearing be recognized, the courts must then decide how much or what kind of

a hearing is required. In this case, petitioner contends that he must be given an opportunity to crossexamine the informants who supplied the derogatory information against him. The executive department. however, has concluded that disclosure of the identity of such persons and of its investigative sources and methods would jeopardize its intelligence systems-at one extreme, by revealing the identity of undercover agents, or, at the other, by breaching the confidence without which much information obtained from what petitioner calls "casual informants" might not be available.16 There are many reasons why even "cas-'ual" informants might not wish to be disclosed or to appear at a hearing. In some cases, it may be simply a fear of personal embarrassment or a desire not to become involved. In others, the information may necessarily implicate the informant himself (e.g., an ex-Communist) or other persons, not seeking a clearance, whom he would want to protect. However worthy or unworthy their motives may be, the fact remains that the intelligence systems depend heavily on voluntary disclosures and that much information would not be forthcoming without the assurance of confidence. It is the judgment of the executive department that the national security requires that the integrity of those systems be preserved by not disclosing confidential informants. See also infra, pp. 62-70.

¹⁶ The record is clear that the only information not furnished to petitioner was classified and confidential information and its sources (R. 39-40, 182, 465). This is the only type of information required by the regulations not to be disclosed (App., infra, pp. 22a-23a, 28a-29a).

Petitioner asserts that the executive's fears are fanciful, and that at least some of the information could be disclosed without seriously injuring the intelligence systems. Which view is right may be disputed, but the crucial question is whether that is the kind of issue that the courts are equipped to, or should, resolve. The resolution of such a question, we submit, requires extensive knowledge of a kind not normally possessed by the courts—the full extent of subversive activities, the practical importance of an assurance of confidence in obtaining information, the extent to which information so developed is not obtainable in other ways, etc.—and an ultimate judgment of a kind which peculiarly must be made by those who bear the responsibility for the wisdom of their judgments.

Moreover, if the courts should undertake, which we believe they ought not, to review that judgment and ultimately to disagree with the executive on the necessity for such nondisclosure, the restraint on the executive's discretion would even then not be at an end. The suggestion that all confidential information must be disclosed (including the most secret "plant" in the Communist apparatus), or else that the suspected employee be given access to military secrets, cannot, we think, be taken seriously. Thus there would remain the problem-simple enough in petitioner's characterization of two clear-cut classes of informants but in real life very difficult-of distinguishing the degrees of necessity for nondisclosure of varying kinds of information, at each step of which the executive judgment would have to be justified in court, and without

the executive's being able fully to document its belief that nondisclosure is necessary or desirable.

4. The extent to which a decision recognizing a constitutional right to confrontation in this case would directly impinge upon executive responsibilities is emphasized by the nature of the relief which is sought in this action. Petitioner seeks, in effect, an order declaring the revocation of his clearance void. But a clearance is not simply a badge of honor (as was the honorable discharge from the Army ordered to be given in Harmon v. Brucker, 355 U.S. 579); it is authority to see classified defense information. Thus the relief petitioner seeks is, in substance, a mandatory injunction requiring that the Government show him (or, in practice, allow contractors to show him), defense secrets, notwithstanding the judgment of the executive branch that such disclosure might jeopardize the national safety. Any such order would, of course, leave open to the Government the alternative of revoking the clearance again (no doubt with interim suspension powers) in proceedings meeting. the requirements of this Court's decision. If those requirements include the disclosure of confidential sources of information or classified materials, then the alternative likewise would require revealing information which responsible executive officials have determined should not be revealed in the interests of national security. Thus the decree sought, if it is to have any effect at all, must amount to mandamus of the executive to disclose to petitioner one of two kinds of information the secrecy of which the executive has determined to be required by the national safety.

This case, therefore, is quite different from one where the question is not whether the Government must disclose classified information but whether, if it refuses to do so, it must forego certain other alternative action. In such cases, the ultimate judgment can still be left to the executive whether to disclose the information or to suffer some other consequence, such as foregoing prosecution for a crime. Cf. Jencks v. United States, 353 U.S. 657; Roviaro v. United States, 353 U.S. 53. That is also an important distinction between this case and the comparable problem as to the discharge of government employees, for in the latter case it is possible to remove the employee from access to classified information without dismissing him. Those who believe that confrontation should be constitutionally required for discharge of government employees on "loyalty" grounds, at least in nonsensitive positions, have expressly recognized this distinction:

The problem of security is real; and the Government need no be paralyzed in handling it. The security problem, however, relates only to those sensitive areas where secrets are or may be available. The department heads must have leeway in handling their personnel problems in these sensitive areas. The question is one of the fitness or qualifications of an individual for a particular position. One can be transferred from those areas even when there is no more than a suspicion as to his loyalty.

We meet constitutional difficulties when the Government undertakes to punish by proclaiming the disloyalty of an employee and making him ineligible for any government post.

Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, 181 (Douglas, J., concurring). Later, in concurring in Peters v. Hobby on the ground that a discharge from government employment without confrontation was unconstitutional, Mr. Justice Douglas re-emphasized this view, noting that "if the sources of information need protection, they should be kept "secret" but in that event the information should not be used as a basis for discharging the employee (349 U.S. 331, 352). In such a case, the most that the Government would be forced to do, if it deemed it essential not to disclose the sources of the information against the employee, would be to keep an unwanted employee on its payroll in a nonsensitive position.

In this case, involving a private employer, no such choice is available. The Government does not control the dismissal of contractor employees and could not, in this case, force the contractor to retain petitioner in a nonsensitive position at his former salary and perquisites. Therefore, it necessarily follows that recognition of a constitutional right in a private person to confrontation of, witnesses before the Government may withhold military secrets from him would require the Government, under compulsion of judicial decree, to disclose information (either military secrets or in-

vestigative sources) which the national security, in its judgment, requires be kept secret.

The drastic nature of a judicial order requiring specific disclosure of such information by the executive-to our knowledge unprecedented-must weighed in the balance in appraising petitioner's claims that the full hearing he seeks, however desirable it might be, is required as a matter of constitutional compulsion. We submit that, even granting the inherent possibilities of error, injustice, and hardship in particular situations arising from the administration of the Industrial Security Program, judicial control over such processes by the establishment of a constitutional right to a due process hearing would be fraught with more injurious consequences. The Court would in effect compel officers of the Government to act in opposition to what they believe to be required by vital national interests. The denial of access to defense secrets would be set aside not because it was not fully justified on the merits, but only because the justification had not been fully disclosed. The Government would in effect be compelled to admit employees of a contractor, whom the Government believed to be of doubtful reliability or untrustworthy, to access to the defense secrets of the United States in any case where the Government concluded that confrontation was not under the circumstances possible. Such a requirement might, we believe, create a serious threat to the national safety.

5. It is said, however, that various elements of the hearing procedure now provided might be im-

proved even if the Government could not be required publicly to reveal information disclosure of which has been determined to be detrimental to the national security." It is suggested, for example, that the head of the investigating agency should be required to make an ad hoc determination in each case whether the information can be disclosed. That, however, ignores the purpose of the regulations to preserve the integrity of the intelligence systems, and not simply the particular items of information in the individual case: Thus, to accept this suggestion, the Court must first reject the considered judgment of the executive department, on which the regulations are based, that the preservation of confidence is essential in order to obtain vital information that would not otherwise be forthcoming. And in appraising that judgment, it must be recognized that the intelligence systems are essential to many governmental functions other than the Industrial Security Program. Shutting off such sources would also limit the effectiveness of the intelligence systems for other purposes and might mean, for example, that the Government, would be less successful in uncovering, from leads often supplied by confidential informants, actual espionage or subversion. See also infra, pp. 62-70.

¹⁷ We do not number among these alternatives the suggestion that the hearing board consider only the evidence produced at the hearing and not confidential reports. In cases where the confidential information would affect the decision (the only cases where the issue is important), the result of not allowing the board to consider it is precisely the same as requiring the clearance to be granted unless the Government is willing to disclose the information.

Another suggestion is that at the least the members of the hearing board should themselves examine the informants in an executive session rather than rely on investigative reports. To the extent that this would require unwilling informants to appear, it involves much the same policy judgment, for the fear of being called before an official board to give information might frequently deter one who is himself implicated from volunteering the information in the first instance. Willingness to give information to a single investigating agent, under an assurance of absolute confidence, does not necessarily imply willingness to give such information on condition that the informant be willing to appear before a hearing board. In addition, at least in some cases, the very attendance of an informant at a hearing would create a risk of disclosure of the informant's status (e.g., an undercover agent in the Communist apparatus whose unexplained trip to the place of the hearing might create suspicion).

A final suggestion, which seeks to avoid any direct conflict with the executive department's judgment of the needs of the national security, is that, if nothing else, the Government ought to make every effort to persuade its informants voluntarily to testify at a hearing, if not in public then at least in an executive session. (Exceptions would presumably be allowed in the case of an informant whose very attendance at a hearing would risk disclosure.) This suggestion, as well as the proposal of greater use of executive sessions, may be worthy of consideration as desirable administrative reforms in the hearing

procedures. Not every desirable reform, however, is a matter of constitutional compulsion. Judicial enforcement of a duty to make a "good faith" attempt to procure voluntary appearance of witnesses would obviously be difficult, and, unless all of the informants agreed to appear, the gain would not be substantial. And the courts would still be presented with the problem of passing on the validity of security reasons, other than the informant's unwillingness to appear, for not producing a witness. Above all, the problem is whether the judiciary should put itself in the position of attempting to make ultimate administrative judgments of this character.

6. The extent to which recognition of a constitutional right to a trial-type security hearing would interfere with executive functions is also emphasized by its impact on contracting practices. If, for example, the executive should, in a given case, disagree with a court's appraisal of the need for not disclosing confidential information and prefer to give the employee a clearance rather than reveal the information, could not the agency in lived "clear" the employee but then not award further classified contracts to his employer? If so, it emphasizes the lack of substance to the as-. serted "right," for normally the same ultimate result would be accomplished-e.g., if the employer, realizing the cause of his loss of business, voluntarily discharges the employee, or if the reduction in business itself leads to a reduction in force with loss of employment not by one but by many. If not, the scope of judicial review is being extended to the contracting function itself.

C. THE INTEREST IN REPUTATION INJURED BY DENIAL OF A SECURITY GLEARANCE IS NOT INDEPENDENTLY ENTITLED TO CONSTITUTIONAL PROTECTION

We have reserved for separate consideration the repeated emphasis by petitioner that denial of a security clearance not only often causes an employee to lose his job but also seriously damages his reputation. It is our view that if the interest petitioner has in being able to work on classified government contracts is not otherwise entitled to constitutional protection, it is not made so because of the consequential effect such inability may have upon his reputation and that, in any event, restoration of access to classified information is not a proper remedy for an injury to reputation as such.

The suggestion that petitioner's interest in not having his reputation injured by denial of a security clearance is independently entitled to protection rests largely, as it must, on Joint Anti-Fascist Refugee Committee v. McGrath, 341 U.S. 123, and Harmon v. Brucker, 355 U.S. 579. Those cases, however, were very different. In Joint Anti-Fascist, the action was, in effect, one to ebjoin continuing publication of a libel-i.e., a listing of the organization on the Attorney General's list of subversive organizations. The determination and listing were separate and independent acts unrelated to any action being taken against the organization itself (the list was to be used in passing upon the qualification of members of the organization for government employment). The publication of the assertion that the organization was in fact "subversive" was libelous per se and would clearly have been actionable if made by a private party.

In Harmon (not a constitutional case in any event) the action taken—the granting of a less-than-honorable discharge from the Army on the basis of pre-service activity—was a gratuitous labelling unrelated to any other action being taken. The case would have been different had Harmon sought to prevent his discharge from the service, but Harmon, far from objecting to the discharge, conceded that the Army had an absolute right to discharge him for any reason it considered to be in the national interest. His sole complaint, for which this Court gave relief, was that he had a statutory right to receive a certificate of discharge reflecting solely the character of his service.

In this case, however, the Government has taken no action beyond the minimum necessary to prevent disclosure to petitioner of secret military information: it informed petitioner that he was not entitled to see such information and instructed the contractor not to allow him to see the information in its possession. No characterization has been attributed to petitioner beyond that inherent in the action itself. If he has been prejudiced, it is only by the fact that he cannot see government secrets, just as in the case of a government employee who is denied access to secret information. The further publication of petitioner's loss of his clearance and of the reasons for that action resulted only upon petitioner's election to have a hearing. In addition, the action itself does not imply a determination of fact, as in the Joint Anti-Fascist case, that petitioner was disloyal or subversive. implies at most only a doubt of his reliability—a doubt fully consistent with the likelihood, though not sufficiently certain to justify putting important military secrets in his hands, that he is in fact both loyal and discreet. Cf. Beilan v. Board of Education, 357 U.S. 399, 409-411 (Frankfurter, J., concurring); Lerner v. Casey, 357 U.S. 468, 478.

Petitioner claims that the public does not make such distinctions and that the denial of a clearance operates as a "badge of infamy." Even if petitioner were correct, we submit that legitimate governmental activities cannot be restrained because of such consequential effects. If the interest in working on classified government contracts is itself the kind of interest requiring constitutional procedural protection, the practical consequences of the action taken, including the damage to reputation, may no doubt be considered in balancing the fairness of the procedures provided. But if the interest directly acted upon (the right of access to confidential defense information) is not so protected, so that the official action is lawful and privileged, it cannot be deemed unlawful because of the consequential damage to reputation.

Our point is not that an injury to reputation may not be weighed in formulating the ultimate judgment whether to recognize one's interest in working on classified government contracts as a constitutionally-protected interest in "property" or "liberty," but that it does not form an independent basis for granting the relief sought. The distinction, while important here, is clearer in the case of dismissals from government employment, where the action may be taken on other than security grounds. In the context of gov-

ernment employment, we would contend that, if employees may constitutionally be dismissed on other grounds without a hearing, they may also be dismissed on security grounds, at least from sensitive positions, without a hearing. A reflection on reputation would justify, not reinstatement in a jeb (which must depend upon an independent right to employment as such), but at most the recognition of a cause of action for damages.¹⁸

As we have emphasized, the fundamental issue in this case is that of the separation of powers: Whether the traditionally plenary power of the executive to control the dissemination of military secrets in the course of executive operations, and to determine with

¹⁸ We do not suggest that there has been consent to suit on any such cause of action. Cf. Dupree v. United States, 247 F. 2d. 819 (C.A. 3); Dupree v. United States, 141 F. Supp. 773 (C. Cls.); 23 U.S.C. 2680(h).

whom and on what terms it will deal in its proprietary capacity, can, or should be, subjected to judicial control.

As we have framed it in this Point, the issue is whether the interest one has in being permitted by the Government to see classified military information, and thus being able to work on classified contracts, amounts to "liberty" or "property" within the meaning of the Fifth Amendment. Stating the issue in those terms, and analyzing it in terms of the nature of the interests affected and not simply in terms of the substantiality of the impact of the Government's action, is, we believe, required by the history of the due process clause. Ultimately the issue may be one of political philosophy—the extent to which a demoeratic society should rely upon its courts to protect it from possible excesses (or what seem to some to be . excesses) of its representative government and the extent to which it must rely instead upon political processes. But we have tried to show that the position advocated by petitioner in this case—the application of procedural due process requirements to action of the Government in a proprietary capacity not affecting other recognized legal interests-requires a very significant extension of the role of the courts in supervising the activities of government. Even if it could be limited to the security program, such an extension, would, we submit, seriously impinge upon the necessary powers, and primary responsibility, of the executive to protect information vital to the national security and impose upon the courts an authority and a responsibility they have never assumed.

In form, this suit is one seeking restoration of petitioner's security clearance, but in substance it seeks direct judicial review of the administrative proceedings by which his clearance was revoked. Were relief to be given, it would be only nominally in the form of a declaration of the invalidity of the revocation of petitioner's clearance; its real effect would be to "remand" the case to the executive department for further proceedings in accordance with the Court's opinion. Thus it is not enough, as petitioner suggests. for the courts to hold simply that the "sum total" of the proceedings did not satisfy due process; they must also undertake to specify the errors committed and the general procedures to be followed on "remand." In short, if the courts are to enter this field, they must assume direct supervision of the methods and procedures used by the executive in determining which private persons may have access to secret military information. For over a century and a half the executive has borne the complete responsibility for the preservation of military secrets, accountable to the electorate for both the inadequacy or the excessiveness of security measures. In meeting that responsibility, the executive has, as we have shown, made a careful judgment of the needs of the national security. If the courts are now to set that judgment aside, they must also undertake the concomitant but uncongenial task of balancing the incommensurable interests at stake (the demands of national security and the injury to individuals) and

prescribing, in specific procedural requirements, the

resulting compromise.

'his suit, finally, is not one in which the executive branch is seeking the affirmative aid of the courts to enforce executive policies; no judicial enforcement of the executive action is either sought or required. Rather, it is the petitioner who seeks review of, and prohibition against, the carrying out of an important executive program. Thus the question is not whether the courts should withhold judicial sanction from executive action which does not meet the standards of judicial procedure; it is whether they should affirmatively interfere with and prevent the executive action. In such a case, it is particularly appropriate, within the framework of our system of separated powers, that the courts should refrain from entering a field from which they have abstained for 170 years and which poses issues far different from those traditionally dealt with by the courts.

III. ASSUMING THAT PETITIONER'S INTEREST IN ACCESS
TO CLASSIFIED DEFENSE INFORMATION WAS CONSTITUTIONALLY PROTECTED, THE PROCEDURES PROVIDED IN
THIS CASE SATISFIED THE REQUIREMENTS OF DUE
PROCESS

Even if the procedural requirements of the dueprocess clause are hold applicable to determinations of who may, and who may not, have access to classified defense information, we believe that there has been no denial of petitioner's constitutional rights. In this connection, it is well to recall that due process takes account of the nature of the problem involved and of the governmental powers exercised. In the words of Mr. Justice Frankfurter (concurring in Joint Anti-Fascist Refugee Comm. v. McGrath, 341 U.S. 123 at 163), it is not a "mechanical instrument" or a "yardstick" but is a "delicate process of adjustment" of conflicting interests:

The Court has responded to the infinite variety and perplexity of the tasks of government by recognizing that what is unfair in one situation may be fair in another. * * The precise nature of the interest that has been adversely affected, the manner in which this was done, the reasons for doing it, the available alternatives to the procedure that was followed, the protection in plicit in the office of the functionary whose conduct is challenged, the balance of hurt complained of and good accomplished—these are some of the considerations that must enter into the judicial judgment.

Of course, confrontation and cross-examination are normally considered basic elements of a due process hearing. However, taking into account (1) the extent of the opportunity afforded to petitioner to refute or explain the derogatory information in his case and (2) the justification for, and lack of a reasonable alternative to, keeping the sources and details of that information confidential, we do not believe that petitioner has been denied due process of law.

1. As noted, supra, pp. 9-11, after petitioner's access to classified information was terminated by the Secretary of the Navy on April 17, 1953, he was furnished a detailed statement, to the extent permitted by security considerations, of the information which had resulted in this action (R. 9-11). The statement was

prepared and sent to petitioner for his use in the subsequent hearing before the Eastern Industrial Personnel Security Board for redetermination of his case. All of the information had been discussed with him at his prior hearing before the Industrial Employment Review Board. It is clear from a review of this statement that petitioner was made aware of the general nature of the derogatory information contained in the government files well in advance of the hearing date. It is also clear that many of the details of that information were revealed to petitioner, including specification of names, places, and dates. Moreover, petitioner's own testimony throughout both hearings (R. 41-52, 55-66, 81-144, 158-59, 184-227, 235-49, 257-67, 402-61) demonstrated his grasp of both the nature and the details of the security information available to the hearing board. Cf. National Labor Relations Board v. Mackay, 304 U.S. 333; Moog Industries v. Federal Trade Comm'n., 238 F. 2d 43 (C.A. 8); Bailey v. Richardson, 182 F. 2d 46, 58 (C.A.D.C.), affirmed by an equally divided Court, 341 U.S. 918. He was aware of the past activities and associations with named individuals and specified organizations that constituted the basis for the revocation of his security clearance, and he was aware, or was made aware, of the character of the persons and organizations with whom he had associated—only the Government's sources of this information, or certain details which would necessarily reveal the sources or investigative techniques, were kept from him.

Petitioner made no attempt to deny the essential facts but his entire case consisted of an attempt to

give his own explanation of the significance of those facts, to present the inferences which he believed the board should properly draw from them, and to state his lack of knowledge of a connection between some of his associations and the communist movement. In presenting his case, petitioner was afforded the right to counsel and had full opportunity to call any witnesses he desired.

Thus, petitioner received fair notice of the general information against him (the sources and details of which were withheld for security reasons), and an opportunity to explain or refute that information to the best of his ability. And most of the primary facts of association and activity were admitted by him. For these reasons, we believe that petitioner's presentation of his case was not unduly hampered by the use of undisclosed information; rather, he was in a good position to disprove the allegations which related to himself and he was made aware of the general nature of the information against the others with whom he was linked.

2. Admittedly, the use of confidential informants and the nondisclosure of sources of information deprive the affected individual of as full an opportunity to answer the charges as is available in judicial proceedings. "The problem is one that calls for balancing the public interest in protecting the flow of information against the individual's right to prepare his defense." Roviaro v. United States, 353 U.S. 53, 52. As we have indicated above, the executive depart-

¹⁹ Compare the lack of notice or hearing involved in Joint Anti-Fascist Refugee Comm. v. McGrath, supra.

ment has determined that the considerations weighing against full disclosure of identity of informants, of methods of investigation, and of sources of information are of overwhelming importance. That appraisal of the competing interests, based as it is on extensive information not available to the courts, would seem necessarily to be controlling here.

The nature of the problem, and the necessary result of petitioner's position, were well expressed in the English case of Liversidge v. Anderson [1942] A.C. 206, 253-254. The House of Lords flatly rejected petitioner's view that the interest of the individual in full disclosure is so inviolate that, in deference to it, a cabinet officer may be compelled in time of crisis to act in derogation of a vital national interest. That was a suit for damages for false imprisonment based upon the detention of the plaintiff under a World's War II administrative regulation. The plaintiff's arguments against the use of confidential information would have required the Secretary to choose between release of the plaintiff and disclosure of the information. Lord Macmillan said:

As Lord Parker said in *The Zamora*: "Those who are responsible for the national security must be the sole judges of what the national security requires. It would be obviously undesirable that such matters should be made the subject of evidence in a court of law or otherwise discussed in public." * * *

As I have indicated, a court of law manifestly could not pronounce on the reasonableness of the Secretary of State's cause of belief [on which detention was based] unless it were

able to place itself in the position of the Secretary of State and were put in possession of all the knowledge both of facts and of policy which he had. But the public interest must, by the nature of things frequently preclude the Secretary of State from disclosing to a court or to anyone else the facts and reasons which have actuated him. What is to happen then? The appellant says that the court is entitled and has a duty to examine the grounds of the Secretary of State's belief. But the court is also bound to accept a statement by the Secretary of State that he cannot consistently with the public interest divulge these grounds. Here is indeed an impasse. The appellant's solution has the merit of courage, not to say audacity. He says that where the Secretary of State, by declining to disclose his information, has failed, through no fault of his own to justify the detention, he must be held confessed of having falsely imprisoned the detained person and must be mulcted in damages. It will naturally be in the most dangerous cases, where detention is most essential to the public safety, that the information before the Secretary of State is most likely to be of a confidential character, precluding its disclosure. Yet the court is to be constrained where detention is most justifiable to find the detention unjustified. I decline to accept an interpretation of the regulation which leads to so fantastic a result.

Admittedly the prejudice resulting from nondisclosure of confidential information may be substantial, but the vital national interests involved in maintaining investigative sources and methods, as well as security and intelligence relationships, must necessarily be given controlling weight. It is not an overstatement to say that the safety of the United States may depend upon the ability of the Government to keep itself constantly supplied with information relating to the internal security. The question here is whether the necessary means of obtaining this information would be so impaired by the disclosure of its sources and details that the information itself would no longer be forthcoming. We submit that such would be the case.

This question has been most frequently debated in the context of the Government's employee security and loyalty programs, in which reports of the Federal Bureau of Investigation have been the primary sources of confidential information. A chairman of the former Loyalty Review Board has explained the need for non-disclosure as follows (Richardson, The Federal Employee Loyalty Program, 51 Cof. L. Rev. 546, 549-50):

preciated. In the overwhelming majority of cases, the record, without the FBI report, would not contain important material information with respect to derogatory items concerning the particular employee. The long and varied experience of the FBI is to the effect that its investigative reports should include statements from confidential sources. Of necessity, these sources are of varied natures. The FBI has many agents operating secretly for the purpose of terreting out facts to aid the President. The disclosure of their identity, of circumstances in-

dicative of identity, would not only completely destroy their usefulness but in many cases subject them to serious physical danger. Other confidential informants are members of the publie who will give information to the FBI only under a strict seal of confidence, their reasons being the obvious ones of the ordinary citizen who refuses to get involved in a public controversy. A further source might be fellow employees or business associates who, unless given complete anonymity, would not under any circumstances disclose their knowledge to the FBI. Numerous comparable informants might be referred to, and in the overwhelming majority of cases, the material facts with reference to derogatory items come from such confidential sources.

As a result, the FBI rigorously observes its promises of confidence and will not disclose to anyone these evidential sources. * * It is not an answer to suggest that the confidential reports made by the FBI should be used only as a lead to actual first-hand evidence. The very nature of such confidential information implies that, since the persons would speak to the FBI only in confidence, personal testimony could not be secured even if the Board had the power to require it.

See also Hoover, The Confidential Nature of FBI Reports, 8 Syracuse L. Rev. 2; Hoover, A Comment On the Article "Loyalty Among Government Employees," 58 Yale L.J. 401, 409-10; Hearings before the Subcommittee of the House Appropriations Committee on Department of Justice Appropriation/Bill for 1943, 80th Cong., 2d Sess. 245-47; Hearings before a Subcommittee of the Senate Committee on Foreign Rela-

tions pursuant to S. Res. 231, 81st Cong., 2d Sess., Part 1, 327-28.

Petitioner insists that a distinction must be made between undercover agents and "casual" informants and that mere embarrassment or inconvenience to the latter is not a sufficient justification for not identifying them. /That, however, ignores the primary purpose of the nondisclosure. As Mr. Richardson emphasized, the importance of confidence is in obtaining information, not in protecting it once obtained. Whatever their motives may be, or however justifiable others may think them, the fact remains that many persons will not give such information at all (sometimes, indeed, information that proves favorable to the subject) except under an assurance of strictest confidence. If such assurance is breached by disclosure, or if no such assurance may safely be given, this whole source of information necessarily evaporates.

Other governments, no less devoted than ours to the tradition of due process, have made a similar appraisal of the overriding necessity of preserving the secrecy of investigative sources. Prime Minister St. Laurent gave the Canadian Parliament this explanation for the lack of hearings in personnel security cases (Dominion of Canada, House of Commons Debates, 1951, Vol. II, 2d Sess., pp. 1504-1506; see Ass'n of the Bar of the City of New York, The Federal Loyalty-Security Program, 201-202 (1956)):

* * hearings could and probably would compromise our general security precautions. Some of the people about whose access to secret material we have to be most concerned operate in the interests of an organization that is skill-

fully and tightly bound together. * * * It is only by careful, long continued and patient work that means have been established by our police forces of getting information about the operations of this organization. * * * If hearings were held, the information as to the background or other considerations causing doubt about an individual would have to be revealed. I do not see how a "hearing" could be regarded as serving any purpose if that were not so. More than that, it would be argued that the validity of such information or the grounds for doubt could not be assessed nor could any "charges" be properly refuted unless the kind and sources of information were disclosed, the informants questioned, and so forth. If that were done in even two or three instances, they might be sufficient to nullify; in very short order, such security defences as we have been able to build up after years of painstaking. effort.

See also supra, pp. 46, 52-54.

3. This Court has on several occasions upheld administrative action based on undisclosed information, where nondisclosure was justified by reasons no more compelling than those involved here. In Chicago & Southern Air Lines v. Waterman Corp., 333 U.S. 103, for example, the Civil Aeronautics Board, with the approval of the President, had granted a certificate of convenience and necessity for an overseas air route to Chicago & Southern Air Lines and had denied one to Waterman Steamship Corporation. The recommended order of the Civil Aeronautics Board, which had not been made public, had been changed by the President, without revealing the mature of

the specific reasons for the change. The President thereafter approved a revised order, which was made public as the final order. The Court did not hold that such a procedure deprived Waterman of its right to engage in business abroad without due process; to the contrary, the Court held that it could not even review the final order. The Court said (333 U.S. at 111):

The President, both as Commander-in-Chief and as the Nation's organ for foreign affairs, has available intelligence services whose reports are not and ought not to be published to the world. It would be intolerable that courts, without the relevant information, should review and perhaps nullify actions of the Executive taken on information properly held secret. Nor can courts sit in camera in order to be taken into executive confidences.

In Carlson v. Landon, 342 U.S. 524, the Court sustained the constitutionality of a statute authorizing the Attorney General, in his discretion, to hold in custody without bail, pending a determination as to deportability, aliens who are members of the Communist Party when reasonable grounds exist to believe that their release on bail would endanger the safety and welfare of the United States. The latter finding with respect to the petitioner in that case was made on the basis of confidential information, but the refusal of bail was held not to be an abuse of power or violative of due process. The action taken against the individual—detention without bail pending a deportation hearing—was more drastic than is involved in the present case, i.e., denial of a

security clearance to an employee of a government contractor after a hearing. And yet the danger to the national security being met in that case—the presence in the country of an alien active in the communist movement—would seem to be less than is involved in the present case, i.e., access to defense secrets by a person determined by responsible executive officials to be of doubtful reliability.

The Court has likewise upheld the use of confidential information as not violative of a statutory right to a hearing. In United States v. Nugent, 346 U.S. 1, it was held that a claim for exemption from the Selective Service Act as a conscientious objector could be denied on the basis of undisclosed information from unrevealed sources although the statute entitled the draftee to a hearing before the Department of Justice. The Court required only that a "fair resumé" of unfavorable evidence be furnished and noted the distinction between administrative and criminal proceedings, the former of which did not necessarily include a right to confront every informant."

Also, a suit against the Government may not be maintained if it would necessarily lead to the dis-

²⁰ Nor is confrontation required in every aspect of a criminal proceeding. In Williams v. New York, 337 U.S 241, the Court held that a judge may impose the death sentence upon a duly convicted offender, despite the jury's recommendation of life imprisonment, upon the basis of information as to the offender's past record given by witnesses with whom the accused has not been confronted and as to whom he has had no opportunity for cross-examination or rebuttal.

closure of a state secret. Totten v. United States, 92 U.S. 105. And in tort actions against the Government, the plaintiff is not entitled to discovery of pertinent government documents if, "from all the circumstances of the case, * * there is reasonable danger that compulsion of the evidence will expose military matters which, in the interest of national security, should not be divulged". United States v. Reynolds, 345 U.S. 1, 10. Non-disclosure in such a case does not result in judgment for the plaintiff (as the court of appeals had held in Reynolds), and the Government may continue to litigate. Nor is a quasijudicial hearing required in deciding to grant parole or in deciding whether probation once granted should be revoked. Escoe v. Zerbst, 295 U.S. 490. And aliens, who have met every congressionally-established qualification for admission to this country, may be validly denied entry on the basis of "information of . a confidential nature, the disclosure of which would be prejudicial to the public interest", and with no hearing whatsoever. The Court so held in the case of an alien wife of an American citizen, United States ex rel. Knauff v. Shaughnessy, 338 U.S. 537, as well as in the case of a former resident alien, Shaughnessy v. United States ex rel. Mezei, 345 U.S. 206. A long-resident but deportable alien, found to have met the congressionally-established requirements for eligibility for suspension of deportation, may be refused suspension by an inquiry officer on the basis of confidential information, the disclosure of which

would be prejudicial to the public interest, safety or security. Jay v. Boyd, 351 U.S. 345."

The Court of Appeals for the District of Columbia Circuit has previously twice upheld the use of confidential information as not contrary to due-process requirements. In Dayton v. Dulles, 254 F. 2d 71, reversed on other grounds, 357 U.S. 144, the court sustained the administrative denial of a passport based in part on undisclosed information and sources, finding the nondisclosure to be justified on the ground that disclosure would compromise investigative sources. and methods and interfere with the Government's ability to obtain reliable information. The use of confidential information was also sustained by that court in Bailey v. Richardson, 182 F. 2d 46, affirmed by an equally-divided Court, 341 U.S. 918, in the dismissal of a federal employee on loyalty grounds. Although the court held that the Fifth Amendment had no application to government employment, it went on to state that it did not believe that due process had been violated in any event. 182 F. 2d at 58-59. The court noted that the employee had received a substantial procedure, not a summary one, since she had received written notice of the derogatory information, was asked specific questions which revealed the nature of her alleged activities and associations, was permitted

²¹ "And the situation is not different because the matter of suspension of deportation is taken up in [what] the [regulations require to be a] 'fair and impartial' deportation 'hearing'. Assuming that such a 'hearing' normally precludes the use of undisclosed information, the 'hearing' here involved necessarily contemplates the use of confidential matter in some circumstances." 351 U.S. at 360.

introduce evidence and testify in her own behalf, nd was represented by counsel. Substantially the me procedure has been afforded the petitioner in the ase at bar. In both of those cases, the District of Combia Circuit rejected the contention that the Govmment's efforts to guard against subversion are subect to the procedural limitations of a criminal trial. The only case cited by petitioner which holds that iministrative action taken in the interest of national ecurity (Coast Guard licensing of seamen) may not predicated upon undisclosed information is Parker Lester, 227 F. 2d 708 (C.A. 9). The crucial difrence in the nature of the interest affected in that ase and that affected here—and thus in the scope procedural protections properly to be afforded as already been pointed out (supra, pp. 31-36). In ddition, there is a marked contrast between the proedures invalidated in Parker and those accorded the etitioner here. In Parker, each plaintiff was sent n identical form letter purportedly informing him the "general basis" for the denial of clearance see 112 F. Supp. 433). At no time were the plainffs furnished with information substantially more pecific than that the denial of clearance was "based the belief that you are affiliated with, or sympaetic to an organization, association, group, or comnation of persons subversive or disloyal to the Govmment of the United States," although in at least ne instance the Communist Party was, specifically amed (112 F. Supp. at 439).

In ruling that these procedures were deficient under to Fifth Amendment, the Court of Appeals for the

Ninth Circuit made clear the particular aspects of the procedures to which it took exception. The district court had entered a decree permitting the plaintiffs to demand a bill of particulars but specifying that "such bill of particulars need not set forth the source of such data, nor disclose the data with such specificity that the identity of any informers who have supplied such allegations or data will necessarily be disclosed to the said seaman or other persons" (227 F. 2d at 711; emphasis added). Subsequent to this decree and prior to the appeal, the Coast Guard amended its regulations to bring them into substantial conformance with the decree. Court of Appeals ruled that under this decree and the resulting regulations the plaintiffs would not be assured of notice sufficient to meet charges against them, specifically contrasting (id. at 715, note 11a) the new Coast Guard regulation with the regulations considered in National Lawyers Guild v. Brownell, 225 F. 2d 552 (C.A.D.C.), certiorari denied, 351 U.S. 927—regulations providing "for notice, hearings, and a determination upon the record, except for classified security information" (225 F. 2d at 556; emphasis added). It is plain that the Ninth Circuit was objecting to the provisions of the Coast Guard regulation which absolutely precluded the disclosure of all sources of information and the identity of all informants, with no limitation as to the need for such nondisclosure in terms of national security. The true scope of the opinion may be gleaned from the discussion at 227 F. 2d at 722, where the court compared its decision with its prior ruling in United

States v. Gray, 207 F. 2d 237 (C.A. 9). Indeed, the court made plain the limited nature of its condemnation of the use of confidential information. Its opinion closed with these significant words (227 F. 2d at 723-24; emphasis added):

** * we have no occasion to hold whether in subsequent attempts to carry out the objectives of the merchant seamen screening program regulations might be adopted which in some degree qualify the ordinary right to confrontation and cross-examination of informers. It is sufficient to say that as framed and operated these regulations fall short of furnishing the minimum requirements of due process in respect to notice and opportunity to be heard."

In the present case, nondisclosure of information and sources has been limited by the regulations to "classified information, [or] any information which might compromise investigative sources or methods or the identity of confidential informants * * ." (App., infra, p. 26a). Thus, these regulations do not fall under the decision in Parker v. Lester but present a question which was expressly left unresolved."

4. The American Civil Liberties Union, amicus curiae, raises an additional point with respect to pro-

The Coast Guard has revised its regulations by providing for the withholding of information and sources only when required by national security. See 21 Fed. Reg. 2814; see also Lester v. Parker, 235 F. 2d 787 (C.A. 9).

There is no support in the regulations or in the record for petitioner's statement (Br., p. 32) that the procedure involved here "forbids in absolute terms the disclosure of any informants."

cedural due process apart from the "confrontation" issue (Br. for Amicus, pp. 17-19, 22). This involves the failure of the Appeal Division of the Eastern Industrial Personnel Security Board to furnish petitioner with a statement of its findings for use on his appeal to the Industrial Personnel Security Review Board (R. 463-66). The Union contends that this failure constituted a denial of due process under the decision of this Court in Gonzales v. United States, 348 U.S. 407.

The Gonzales case involved one aspect of the procedures for determining a draftee's claim for exemption from the Selective Service Act as a conscientious objector, another aspect of which was at issue in United States v. Nugent, 346 U.S. 1, supra, p. 72. The Court held that the applicable regulations required the Department of Justice to furnish the draftee with a copy of its advisory recommendation to the selective service Appeal Board as to the disposition which should be made of the claim for exemption:

It should be noted first that the Gonzales case was not a constitutional decision but was based on a requirement found to be implicit in the regulations. In the present case, it is not contended that the regulations were violated since they expressly authorized the withholding of findings if necessitated by security considerations. (App., infra, pp. 22a-23a, 28a-29a).

²⁴ Petitioner briefly alludes to this point (Br., pp. 30-31) as one indication that the procedure afforded him did not meet minimum standards of fairness. He does not contend that, by itself, it constituted a denial of due process.

This was the sole basis for the Board's action, as petitioner's counsel was informed (R. 464-65). In Gonzales, a copy of the advisory recommendation was simply not urnished, without any justification being offered either on security or other grounds. Furthermore, the Court noted that disclosure of the Justice Department's recommendations in such cases was of particular importance because the Appeal Board to which the recommendations were made was performing more than an appellate function (358 U.S. at 413):

It should be emphasized, moreover, that in contrast to the strictly appellate functions it exercises in other cases, the Appeal Board in handling conscientious objector claims is the first selective service board to receive the Department's recommendation, and is usually the only decision-making body to pass on the entire file. An opportunity for the registrant to reply is therefore the only means of insuring that this Board will have all of the relevant data.* **

It seems apparent in the present case that petitioner was not prejudiced by the lack of a statement of findings. He was made aware of the nature of the derogatory information in his case at his two prior hearings, and a detailed summary of this information was furnished him in writing prior to the hearing before the Appeal Division of the Eastern Industrial Personnel Security Board. See pp. 9-11, supra. The material contained in the findings made by that board was, with one exception, precisely the same as the material contained in the statement furnished to petitioner of the reasons underlying the

decision of the Secretary of the Navy to revoke his security clearance. (Compare R. 9-11 with R. 23-24.) That one exception concerned the board's estimate of petitioner's credibility as a witness; knowledge of this finding could hardly have aided petitioner's appeal before the review board since its function is entirely appellate and any issue of credibility would be exclusively for the hearing board to resolve. In prosecuting his appeal to the review board, petitioner's counsel filed a brief and supporting affidavits and made no request to that board for a statement of the findings of the Appeal Division. When, after the appeal was decided, petitioner was given by the review board a statement of the Appeal Division's findings, he made no claim that he had been handicapped in his appeal because of the lack of such findings nor did he seek reconsideration of the appeal on that ground In these circumstances, petitioner was able to present his case on appeal, and was aware from all of the prior proceedings of the basis for the Appeal Division's decision to sustain the Secretary's revocation of his clearance.

CONCLUSION

history of the United States the courts have never questioned the power of the Executive to withhold military information from private persons and to determine to whom the Government will disclose its military secrets in the course of its operations. The Industrial Security Program rests upon that foundation, for the Executive must necessarily have the

power to determine upon a means to enable it to decide who may have access to that information.

The intenst of a private person in obtaining access to classified defense information has never been deemed "liberty" or "property" entitled to procedural due process protections. Access to classified defense information is a permissive use of property. afforded by the Government solely for its own benefit and no comparable interest has been recognized as a legally protected one. The judiciary has consistently refused to interfere in the conduct by the Government of its internal affairs, leaving these matters to the discretion of the Executive and to correction, if that is necessary, by legislative or other political processes. And it is difficult to conceive of any matter more inherent in the proper functioning of the executive department of the Government than the determination of those to be allowed access to classified military information.

It is respectfully submitted that the judgment of the court below should be affirmed.

J. LEE RANKIN,

Solicitor General.
George Cochran Doub,
Assistant Attorney General.
Samuel D. Slade,

BERNARD CEDARBAUM,

Attorneys.

MARCH 1959.

APPENDIX

1. The pertinent statutory provisions are as follows:

A. The Armed Services Procurement Act of 1947, 62 Stat. 21, 41 U.S.C. 151, et seq. (1952 ed.), later recodified with minor changes as 10 U.S.C. 2301, et seq. (Supp. V), provides in pertinent part as follows:

41 U.S.C. 151(c) All purchases and contracts for supplies and services shall be made by advertising, as provided in section 152 of this title, except that such purchases and contracts may be negotiated by the agency head without advertising if—

(1) determined to be necessary in the public interest during the period of a national emergency declared by the President or by the

Congress;

(12) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed:

41. U.S.C. 153 * * * Except as provided in subsection (b) of this section, contracts negotiated pursuant to section 151(c) of this title may be of any type which in the opinion of the agency head will promote the best interests of the Government: * *

B. The National Security Act of 1947, 61 Stat. 495, as amended, 5 U.S.C. 171, et seq., provides in pertinent part:

5 U.S.C. 171a (b):

The Secretary of Defense shall be the principal assistant to the President in all matters relating to the Department of Defense. Under the direction of the President, and subject to

the provisions of sections 171-171n, 172-172j, 181-1, 181-2, 411a, 411b and 626-626d of this title and sections 401-405 of Title 50, he shall have direction, authority, and control over the Department of Defense.

5 U.S.C. 411:

There shall be at the seat of government a military department, to be known as the Department of the Navy, and a Secretary of the Navy, who shall be the head thereof.

5 U.S.C. 412:

The Secretary of the Navy shall execute such orders as he shall receive from the President relative to the procurement of naval stores and materials, and the construction, armament, equipment, and employment of vessels of war, as well as all other matters connected with the Naval Establishment.

2. The pertinent regulatory provisions are as follows:

A. The regulations governing the 1951 proceedings of the Industrial Employment Review Board are as follows:

1. Charter of Army-Navy-Air Force Personnel Security Board, dated 19 June 1950

1. There is hereby created, as a joint board of the Departments of the Army, Navy, and Air Force, the Army-Navy-Air Force Personnel Security Board, which will be responsible directly to the Secretaries of the Army, Navy, and Air Force for the performance of the duties and functions hereinafter prescribed.

2. The Board will operate under general policies established and approved by the Secretaries of the Army, Navy, and Air Force, and will supersede, upon the execution of this charter, the Army-Navy-Air Force Personnel Security Board within the Office of the Provost Marshal General of the Army.

· 3. Each of the Secretaries of the military departments will appoint one member, and the three members so appointed will constitute the Board. Each Secretary may also appoint alternate members to serve in the place of the member appointed by such Secretary. Initially, the members of the Board will select one of the appointed members to be Chairman of the Board, and thereafter chairmanship of the Board will rotate, on a monthly basis, among the three military services. Three members, one members or alternate member from each Department, will constitute a quorum. Each Department represented will have one vote and decision of the Board will be reached by majority vote of a quorum.

4. There are hereby delegated to the Board all powers necessary and incident to the proper performance of its duties. Subject to the approval of the three Secretaries, the Board will adopt its own methods of procedure, rules and regulations governing the conduct of the busi-

ness of the Board.

5. The Board will have jurisdiction for the purpose of determining, in accordance with approved policy on the subject, whether access to military information or material will be granted, denied, suspended or revoked for security reasons to: (i) contractors or prospective contractors in connection with the bidding. negotiation, award or performance of a classified contract with a military department; (ii) employees or prospective employees (citizens or aliens) of contractors or prospective contractors in connection with classified contract work for a military department; and (iii) prospective alien employees of contractors or prospective contractors in connection with contract work for a military department for the furnishing or constructing of aircraft, aircraft parts or aeronautical accessories (10 U.S.C. 310(J)). As used herein, the term "prospective employee" means any individual, who is selected by the contractor or prospective contractor for employment on work which requires security clearance in accordance with approved policy

on this subject.

6, a. The Board, pursuant to the procedures, rules and regulations established in accordance with paragraph 4 hereof, will make a determination in all cases within its jurisdiction: (i) in which an agency of a military department has recommended that access by an individual, prospective contractor or contractor to military information be denied, suspended or revoked; (ii) in which a decision or action of a field agency of a military department has the effect of denying, suspending or revoking access by an individual to military information; and (iii) in which action by the Board is requested by the Secretary of the Military Department concerned, Provided that the Board will not make a determination in a case which involves a decision or action from which an appeal has been taken to the Industrial Employment Review Board, except on the latter Board's request. Reconsideration of any determination may be had as provided in paragraph 8 hereof.

b. In all cases in which final action of the Army-Navy-Air Force Personnel Security Board unfavorable to the individual, prospective contractor or contractor may result, whe Board will: (i) furnish the individual, prospective contractor or contractor involved with notice of the proposed action and a statement of the reasons therefor in as great detail as, in the opinion of the Board, security considerations. permit in order to provide the individual, prospective contractor or contractor with sufficient information to enable him or it to prepare a reply; and (ii) afford the individual, prospective contractor or contractor an opportunity to submit affidavits or other written evidence in his behalf within a period of time to be specified by the Board in the notice, but in any event not less than ten (10) days from the date of the receipt of the notice by the individual, prospective contractor or contractor. The failure of an individual, prospective contractor or contractor to submit affidavits or other written evidence in his or its behalf to the Army-Navy-Air Force Personnel Security Board will not prejudice his or its right to subsequent appeal to the Industrial Employment Review Board, in the event the decision of the Personnel Security Board is unfavorable to such individual, pro-

spective contractor or contractor.

7. The Board will decide each case upon all the evidence and information before it in accordance with the criteria established for the Industrial Employment Review Board, and will set forth its decision in writing, together with the reasons therefor. The Board will announce its decision in the names of the Secretaries of the Army, Navy and Air Force. In all cases in which action has been taken in accordance with paragraph 6b above, the individual, prospective contractor of contractor involved will be informed of the decision, and, if it is adverse to such individual, prospective contractor or contractor, with a written notice of his or its right of appeal to the Industrial Employment Review Board: if the decision is favorable in these cases, the notice will also include a specific reference to the notice of proposed action previously furnished under paragraph 6b above.

8. Decisions of the Board will be final, subject only to: (i) consideration by the Industrial Employment Review Board either on appeal to it by the individual, prospective contractor or contractor involved, or at the request of the Secretary of the Military Department concerned; (ii) re-consideration by the Army-Navy-Air Force Personnel Security Board at the request of the Industrial Employment Review Board; or (iii) re-consideration by the

Board at the request of the Secretary of the Military Department concerned, on its own metion, or, in the discretion of the Board, at the request of the affected individual, prospective contractor or contractor for good cause shown, Provided that the Board will not make a determination in a case which involves a decision or action from which an appeal has been taken to the Industrial Employment Review Board, except on the latter Board's request. Reconsideration may extend to any decision of the Army-Navy-Air Force Personnel Security Board or of any activity of a military department which was made before the reconstitution of that Board pursuant to this Charter.

9. All of the property and records of the Army-Navy-Air Force Personnel Security Board within the Office of the Provost Marshal General of the Army will be transferred to the Board, and all administrative services including personnel, space and budget matters will be furnished by the Secretary of the Army. The Central Index File will function under the administrative supervision of the board. Direct communication between agencies of the military departments and the Board is authorized.

10. The Chairman of the Board will furnish such reports to the Secretaries of the military departments, and to the Chairman of the Industrial Employment Review Board (in cases in which the latter Board has assumed jurisdiction) concerning the work of the Board as may be requested from time to time, and the Board will be responsible for safeguarding all classified information in its possession.

11. Except at the request of the Secretary of the military department concerned, the Board will not make a determination in the following case: (i) all cases involving access to "restricted data" as defined in the Atomic Energy Act of 1946, or to research, development and production of cryptographic equipment; (ii) all cases

originating outside the continental limits of the United States; (iii) all eases involving denial, suspension or revocation of security clearance of a prospective contractor or contractor on grounds pertaining solely to the physical elements of security; and (iv) all cases involving solely a determination of the eligibility of a prospective contractor or contractor for the award or performance of a contract pursuant to the foreign ownership provision of section 10(j), Act of July 2, 1926 (44 Stat. 787, 10 U.S.C. 310(j)).

Approved:

Secretary of the Army.

Secretary of the Navy.

Secretary of the Air Force.

2. Procedures Governing the Army-Navy-Air Force Personnel Security Board, dated 19 June 1950

Consideration of cases by the Army-Navy-Air Force Personnel Security Board, pursuant to its Charter dated 19 June 1950, will be governed by the following procedures hereby established by the Board and approved by the Secretaries

of the Army, Navy and Air Force.

1. Cases to be Considered. The Board will make a determination in all cases within its jurisdiction which are referred to it in accordance with paragraphs 5 and 6 of its Charter and pursuant to established policy on the subject. Reconsideration of cases by the Board shall be governed by paragraph 8 of its Charter. Notice of a request by the individual, prospective contractor or contractor for consideration or reconsideration of a case shall be

in writing and shall be forwarded to the Army-Navy-Air Force Personnel Security Board, National Defense Building, Washington 25, D.C.

2. Criteria and Standards. Each determination of the Board will be made upon all the evidence and information before it, in accordance with the criteria established for the Industrial Employment Review Board. In making its determination, the Board will take into consideration the failure to disclose to the individual, prospective contractor or contractor. the sources of information and material contained in the investigative reports, and where applicable, the lack of complete specificity of the notice to him or it of the reasons for the proposed action. Strict rules of evidence will not be applied, but the information and evidence available will be given weight according to its probative value.

3. Initial Action

a. Upon receipt of the request or recommendation for action by it, the Board will review the case in the light of the criteria and standards set forth in paragraph 2 and will determine whether the reported information warrants: (i) granting the individual, prospective contractor or contractor access to military information; (ii) further investigation; or (iii) further processing with a view to possible denial of access to military information.

b. In exceptional situations where, in the opinion of the Board, the continued presence of the individual in a contractor's plant, or the continued access by the individual, prospective contractor or contractor to military information, pending final decision in the case would

jeopardize seriously the security of the plant or of military information, the Board may direct an interim revocation of consent, or an interim denial of access to military information of specified security classifications. If such action has already been effected by an agency of a military department, the Board will review such action to determine the propriety of it under the circumstances. In the event, the decision by the Board to take such interim action changes the status of the individual, pro-spective contractor or contractor, the Board will advise the commanding officer of the agency of the military department concerned of its interim decision in the matter, with instructions to inform the individual, prospective contractor or contractor, as appropriate, of the decision, but not of the detailed reasons therefor, except that it is for security reasons.

c. If the Board determines that access to military information should be granted to the individual, prospective contractor or contractor involved, it will proceed in accordance with paragraphs 5 and 6a below, and will inform the appropriate agencies of the military department concerned of its decision.

4. Adjudication Procedures.

a. If, on preliminary consideration, the Board concludes, upon the information and evidence available to it, that the granting of access to military information is not clearly warranted, the Board will request further investigation, or will prepare a notice of proposed action to deny the individual, prospective contractor or contractor access to military information of specified security classifications, which notice shall include a statement of the reasons for the proposed action in as great detail as, in the

opinion of the Board, security considerations permit in order to provide the individual, prospective contractor or contractor with sufficient. data to prepare his or its reply. The notice will inform the individual, prospective contractor or contractor that he or it has the right within ten (10) calendar days from the date of his or its receipt of the notice to submit an answer in writing under oath or affirmation, together with such statements, affidavits, or other documentary evidence as he or it may desire, and that, in the event he or it fails to submit such defense, the Board will decide the matter on the basis of the information and evidence available to it, without prejudice to his or its right of subsequent appeal to the Industrial Employment Review Board. The notice also will inform the individual, prospective contractor or contractor that he or it has no right to appear before the Board in person or by counsel, and that in the event of an adverse decision by the Board, he or it will be so advised and will have the right of appeal to the Industrial Employment Review Board in accordance with the terms and conditions of its Charter.

b. The Board will transmit the notice directly to the individual, prospective contractor or contractor involved by registered mail, with a request for to return receipt signed "by addressee only." Such signed receipt will be forwarded direct to the Army-Navy-Air Force Personnel Security Board for inclusion in the complete file of the case. The Board will simultaneously furnish a copy of the notice to interested agencies of the military departments for information.

5. Decision.

a. If the individual, prespective contractor or contractor does not really in writing to the notice and letter of charges within the time specified, or within such extension of time for

answering as the Board in its discretion may grant, the Board will make its determination on the complete file, according to the criteria

and standards set forth above.

b. If the individual, prospective contractor or contractor does submit a reply, the Board will make its decision on the complete file, including the reply and any supporting affidavits, statements, etc., according to the criteria and standards set forth above.

c. The Board will reach its decision by majority vote. The decision of the Board, which will state its reasons therefor, will be set forth

in writing.

d. When the Board sets aside a decision or action involving an individual (but not a contractor or prospective contractor), the Board may, if it finds that a loss of employment resulted from such prior decision or action, recommend to the appropriate authority that the individual be reimbursed in an amount not to exceed the difference between the amount he would have earned at the rate he was then receiving and the amount of his interim net earnings, or such lesser amount as the Board may determine.

6. Action Subsequent to Decision.

a. The Board will announce its decision in the names of the Secretaries of the Army,

Navy, and Air Force.

b. The Board will transmit directly by mail to the individual, prospective contractor, or contractor involved, a notice of its decision in writing, and in the event the decision is adverse to him or it, the notice will also advise him or it of the right of appeal to the Industrial Employment Review Board in accordance with the terms and conditions of its Charter. If the decision is favorable, the notice will also include a specific reference to the notice of proposed action previously furnished under paragraph 6b of the Charter, or similar statement in those cases not covered by that paragraph. The

Board simultaneously will advise appropriate agencies of the military department concerned of its decision. In the event of a decision adverse to an employee or prospective employee of a contractor or prospective contractor, the employer concerned also will be advised in writing of the decision. Such notices, however, will not state any reason for the decision other than that it is for security reasons. Written receipts for each notification will be obtained at the time of delivery and forwarded immediately to the Army-Navy-Air Force Personnel Security Board.

7. Records. The Board will maintain a complete record of its proceedings, actions and decisions. It will, on request, furnish the Industrial Employment Review Board and the Secretaries of the military departments the record of any case, and any other information or ma-

terial pertaining to a case.

8. Requests for Additional Information. The Board is authorized to request information, material and advice, including technical and legal advice, directly from appropriate agencies of the military departments, and from outside

agencies of the Government.

9. Amendment of Existing Directives. Insofar as the provisions of WD Pamphlet No. 32-4, December 1946, DA Memorandum No. 380-5-10, 2 April 1948, and any other directives of the Departments of the Army, Navy and Air Force are inconsistent with the procedures prescribed herein, the same are amended accordingly.

Approved:

· Secretary of the Army.

Secretary of the Navy.

Secretary of the Air Force.

Date:

3. Charter of the Industrial Employment Review Board, dated 7 November 1949

As amended

1. There is hereby created, as a joint board of the Departments of the Army, Navy, and Air Force, the Industrial Employment Review Board, which shall be responsible directly to the Secretary of the Army, the Secretary of the Navy and the Secretary of the Air Force, for the performance of the duties and functions heremafter prescribed.

2. The Board shall operate under general policies established or approved by the Munitions Board, and shall supersede upon the execution of this charter, the Industrial Employment Review Board within the Office of the

Provost Marshal General of the Army.

3. Each of the respective Secretaries and the Munitions Board shall appoint one member, and the four members so appointed shall constitute the Board. The member appointed by the Munitions Board shall be a civilian and shall act as the Chairman. Each secretary may also appoint alternate members to serve in the place of the member appointed by such Secretary. One of the members shall be a qualified lawyer with membership in a State bar or its equivalent in the Territories and the District of Columbia. Any three members shall constitute a quorum; provided however, that where decisions on substantive matters affecting the actual disposition of the appellant's case are involved, a qualified lawyer, as above defined, must constitute one of the three. The Board may oppoint regional or area boards, the membership of which shall be subject to the approval of all the Secretaries and the Munitions Board for the purpose of acting for the Board at any place other than at Washington, D.C. One of the members of the regional or area boards shall be a qualified lawyer with membership in a State bar or its equivalent in the Territories and the District of Columbia. Any three members shall constitute a quorum; provided however, that where decisions or substantive matters affecting the actual disposition of the appellant's case are involved, a qualified lawyer, as above defined, must constitute one of the three. No person who has served with an investigative agency or any of the Departments within one year preceding his appointment shall be eligible for appointment as a member or alternate member of the Board or any regional or area Board.

4. There are hereby delegated to the Board all powers necessary and incident to the proper performance of its duties, and, subject to the approval of the respective Secretaries and the Chairman of the Munitions Board, the Board shall adopt its own methods of procedure, rules and regulations governing the conduct of the

business of the Board.

5. The Board shall have jurisdiction solely for the purpose of hearing and reviewing appeals from decisions of the Personnel Security Board, the effect of which decisions is to deny (i) access to classified military information or material, or (ii) access of aliens to information or material pursuant to Section 10(j) of the Act of 2 July 1926 (10 U.S.C. 310(j)).

6. The Board, pursuant to procedures, rules and regulations established in accordance with paragraph 4, shall (i) entertain all appeals within its jurisdiction, and give to the appellant reasonable notice of the time and place of hearing; (ii) shall furnish the appellant with a specific statement of charges insofar as consideration of security permits; (iii) afford the appellant an opportunity to be heard in person or by counsel (union representative or otherwise); (iv) accept evidence or other proof offered by the appellant bearing on the issues

to be determined by the Board; (v) shall furnish the appellant, upon his request, a verbatim transcript of the Board's proceedings in his case, edited only to the extent necessary to safeguard classified information; and (vi) decide each case upon all of the evidence and information available to the Board, under such criteria as shall be established jointly by the Secretaries, and shall set forth its decision in writing, together with reasons therefor. A copy of such decision shall be furnished to the appellant by the Board.

7. Alsof the property and records of the Industrial Employment Review Board within the Office of the Provost Marshal General of the Army shall be transferred to the Board, and all administrative services including personnel, space and budget matters shall be fur-

nished by the Munitions Board.

8. The Chairman shall furnish such reports to the Secretaries and to the Chairman of the Munitions Board concerning the work of the Board as may be requested from time to time, and the Board shall be responsible for the safeguarding of all classified information in its possession.

(S) GORDON GRAY,

Secretary of the Army.

(S) JOHN T. KOEHLER,

sistant Secretary of the Navy.

(S) A. S. BARROWS,

Acting Secretary of the Air Force.

Approved:
MUNITIONS, BOARD,
PATRICK W. TIMBERLAKE,
Revised: 10 November 1950.

4. Procedures Governing Appeals to the Industrial Employment Review Board, dated 7. November 1949

As Amended

Appeals to the Industrial Employment Review Board, pursuant to its Charter dated 7 November shall be governed by the following procedures hereby established by the Board and approved by the Secretaries of the Army, Navy and Air Force, and the Munitions Board.

1. Decisions Subject to Appeal. Any decision of the Army-Navy-Air Force Personnel Security Board, the effect of which is to deny (i) access to classified information or material, or (ii) access of an alien to information or material pursuant to Section 10(j) of the Act of 2 July 1926 (10 U.S.C. 310(j)), may be appealed to the Industrial Employment Review Board or to a Regional or Area Board established by it (except as the context indicates otherwise all such Boards are referred to hereinafter as "the Board"); Provided, that upon the application of an appellant and upon good cause shown, the Board may in its discretion reconsider a prior decision of the Board whether such prior decision was made before or after the Board's reconstitution pursuant to the Charter of 7 November 1949.

2. Rights of Appeal. Each individual, contractor or prospective contractor against whom a decision, appealable under paragraph 1 above, has been rendered, shall have the right (i) to appeal to the Board by filing notice thereof in writing, (ii) to be given reasonable notice of the time and place of hearing, (iii) to be heard in person or in writing and to be represented by counsel, union representative or otherwise, (iv) to submit evidence or other proof including the right to produce witnesses in his behalf bearing on the issues to be determined by the Board, (v) to be notified in writing of the.

Board's findings and decision, and (vi) to request reconsideration by the Board of its deci-

sion for good cause shown.

3. Initiation of Appeals. Within 30 calendar days after the receipt of notice of a decision, appealable under paragraph 1 above, the individual, contractor or prospective contractor concerned may appeal to the Industrial Employment Review Board by submitting a written notice of appeal stating therein whether he, desires to appear before the Board in person or by his counsel or representative or to submit his appeal in writing. Notice of appeal must be addressed to the Industrial Employment Review Board, c/o The Munitions Board, National Defense Building, Washington 25, D.C.

4. Action by Industrial Employment Review

Board.

(a) Adequacy of the Charges. Upon receipt of a notice of appeal pursuant to paragraph 3 above, the Industrial Employment Review Board will obtain the complete record of the case from the Army-Navy-Air Force Personnel Security Board and will ascertain whether the appellant has been informed as fully as security considerations permit of the reasons for the decision appealed from. If such Board is of the opinion that the appellant was not so informed, it will cause a full statement of the reasons for the decision, insofar as security considerations permit, to be included in the notice of hearing provided for in subparagraph (b) below.

(b) Time and Place of Hearing or Review of Case. Upon completion of any action required by subparagraph (a) above, the Board will set a time and place for hearing or review of the case and will notify the appellant thereof in writing not less than 30 days prior to such

hearing or review.

(c) Conduct of Hearing. In the discretion of the Industrial Employment Review Board

and as it may direct, the hearing may be held by it or by a Regional or Area Board in Washington, D.C., or elsewhere. With the consent of the appellant, the hearing may be held by a single member or alternate member of the Board. A hearing may be attended only by the members or alternate members of the Board participating therein, officials directly connected with the adjudication of the case, witnesses for the Government or the appellant, and the appellant, his counsel, or union representative or otherwise. A witness may be present only when he is actually testifying. Strict legal rules of evidence will not be applied but reasonable bounds of relevancy, competency and materiality will be maintained. All testimony will be given under oath or affirmation. The Government and the appellant may introduce such evidence or other proof, oral or written, as the Board may consider proper. The hearing will be conducted in such manner as to protect from disclosure information affecting the national security or tending to compromise investigative sources or methods, but within the limits set forth by the foregoing, the appellant or his counsel shall have the right to cross examine government witnesses who have been called. A verbatim stenographic transcript will be made of the hearing and will be retained as a permanent part of the record of the case. Upon the request of the appellant, the Board will furnish to him a copy of the transcript of the hearing, edited only to the extent necessary to safeguard classified information.

(a) Decision. The Board will decide each case in executive session and, in arriving at its decision, will be governed by the criteria established by the Secretaries of the Army, Navy and Air Force. The Board will reach its decision by the majority vote of a quorum. Where four members are present, the chairman shall not vote: provided, however, that where

substantive matters affecting the actual disposition of the appellant's case are involved and the only qualified lawyer is also the chairman, the chairman shall vote, and one of the remaining three members, to be chosen by ballot, shall decline to vote. When the Board sets aside a decision involving an individual (but not a contractor or prospective contractor) the Board may, if it finds that a loss of employment resulted from such decision, recommend to the appropriate authority that the individual be reimbursed in an amount not to exceed the difference between the amount he would have earned at the rate he was then receiving and the amount of his interim net earnings. The decision of the Board, which shall state its reasons therefor, will be set forth in writing. The decision will be final subject only to reconsideration by the Board on its own motion, or at the request of the appellant for good cause shown, or at the request of the Secretary of the Department concerned.

(e) Notice of Decision. The Board upon reaching its decision will transmit in writing said findings and notice of decision to the appellant and simultaneously furnish other copies to the interested offices of the Department of Defense, union, employer and legal represent-

ative.

5. Records. The Board shall maintain a complete record of its proceedings, actions and decisions. Upon receipt of a notice of appeal pursuant to paragraph 3 above, and at any time thereafter, the Board may require the Army-Navy-Air Force Personnel Security Board or any agency of the Departments of the Army, Navy or Air Force to furnish to the Board the record of the case and any other information or material under its jurisdiction pertaining to the case. The Board is authorized to examine all persons who are available upon whose evidence the letter of denial was

issued and may request relevant information and material from outside agencies of the Government.

6. Amendment of Existing Directives. Insofar as the provisions of WD Pamphlet No. 32-4, December 1946, DA Memorandum No. 380-5-10, 2 April 1948, and any other directives of the Departments of the Army, Navy and Air Force are inconsistent with the procedures prescribed herein the same are amended accordingly.

(S) J. Tenney Mason, Chairman of the Board.

(S) HAROLD R. STADFIELD, Lt. Col., JAGC,

(S) GEORGE L. SHANE, Capt., USN, Navy Member.

(S) KENNETH MACKENZIE,

Air Force Member.

Approved:

(S) GORDON GRAY, Secretary of the Army.

(S) JOHN T. KOEHLER, Asst. Secretary of the Navy.

(S) A. S. BARROWS, Acting Secretary of the Air Force.

(S) PATRICK TIMBERLAKE, Munitions Board.

Date: 30 November 1949. Revised: 10 November 1950.

B. The Industrial Personnel and Facility Security Clearance Program, effective May 4, 1953, provided in pertinent part as follows:

Industrial Personnel and Facility Security Clearance Program

SECTION I

GENERAL

1. Purpose. This directive prescribes the joint uniform standards, criteria and procedures governing the disposition of all cases in which a military department or an agency thereof has recommended that the clearance of a contractor or contractor employee be denied or revoked, and emergency cases in which a military department or agency thereof has revoked a clearance of a contractor employee.

3. Policy.

a. While the military departments will assume, unless information to the contrary is received, that all of their contractors and contractor employees are loyal to the Government of the United States and that granting a clearance would not endanger national security, the vital role of the military departments in national defense necessitates vigorous application of use of : classified security information by such contractors and contractor employees. Therefore, ademeasures will be taken to provide continuing assurance that no contractor or contractor employee will be granted a clearance if available information indicates that the granting of such clearance may not be clearly consistent with the interests of national security. the same time, every possible safeguard within the limitations of national security will be provided to assure that no contractor or contractor employee will be denied a clearance without an opportunity for a fair hearing.

b. A denial of a clearance does not necessarily carry any implications of disloyalty to the Government of the United States. If a person is disloyal, the granting of a clearance is not consistent with the interests of national security.

However, because of the mission of the military departments and the nature of classified security information, there may be a finding that the granting of a clearance to a particular contractor or contractor employee is not clearly consistent with the interests of national security for many reasons which have no relation to loyalty. The program is limited to making determinations with respect to security clearances; no determination is made as to the loyalty of the contractor or contractor employee to the Government of the United States.

c. Since a facility security clearance relates only to access to classified security information, the denial of a clearance to a contractor does not necessarily preclude his participation in unclassified work. A denial of a clearance to a contractor employee does not preclude his employment in positions which do not involve access to classified security information. It is not the intent of this directive to impede the shift of employees, as to whom there is derogatory information, from classified to unclassified work within the same plant or facility where it can be accomplished without detriment to and with

the consent of the contractor employer.

4. Release of Information. All Government personnel, including all members of the Boards and the Divisions in the Program, will comply with applicable directives pertaining to the safeguarding of classified security information and the handling of investigative reports; and no classified security information or any information which might compromise investigative sources, investigative methods or the identity of confidential informants will be disclosed to any contractor or contractor employee, or to their counsel or representatives, or to any other person not cleared for access to such information. In addition, in a case involving a contractor employee, the contractor concerned will

be advised only of the final determination in the case to grant, deny or revoke clearance, and of any decision to revoke a clearance granted previously pending final determination in the case. The contractor will not be given a copy of the Statement of Reasons issued to the contractor employee except at the written request of the employee involved.

SECTION III

STANDARD AND CRITERIA

11. Standard for Denial of Clearance. The Standard for the denial of clearance shall be that, on all the information, the granting such clearance is not clearly consistent with the interests of national security.

12. Criteria for Application of Standard in

Cases Involving Individuals.

a. The activities and associations listed below which may be the basis for denial of clearance are of varying degrees of seriousness. Therefore the ultimate determination of whether clearance should be granted must be an overall commonsense one, based on all available information.

(1) Commission of any act of sabotage, espionage, treason, or sedition, or attempts thereat or preparation therefor, or conspiring with, or aiding or abetting, another to commit or attempt to commit any act of sabotage, es-

pionage, treason, or sedition.

(2) Establishing or continuing a sympathetic association with a saboteur, spy, traitor, seditionist, anarchist, or revolutionist, or with an espionage or other secret agent or representative of a foreign nation, or any representative of a foreign nation whose interests may be inimical to the interests of the United States; or with any person who advocates the use of force or violence to overthrow the government of the

United States or the alteration of the form of government of the United States by unconstitutional means.

(3) Advocacy of use of force or violence to overthrow the Government of the United States, or of the alteration of the form of government of the United States by unconstitutional means.

(4) Membership in, or affiliation or sympathetic association with, any foreign or domestic organization, association, movement group, or combination of persons which it totalitarian, Fascist, Communist, or subversive, or which has adopted, or shows, a policy of advocating or approving the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States, or which seeks to alter the form of government of the United States by unconstitutional means.

(5) Intentional, unauthorized disclosure to any person of security information, or of other information disclosure of which is prohibited

by law.

(6) Performing or attempting to perform his duties, or otherwise acting, so as to serve the interests of another government in preference to the interests of the United States.

(7) Participation in the activities of an organization established as a front for an organization referred to in subparagraph (4) above when his personal views were sympathetic to the subversive purposes of such organization.

(8) Participation in the activities of an organization with knowledge that it had been infiltrated by members of subversive groups under circumstances indicating that the individual was a part of or sympathetic to the infiltrating element or sympathetic to its purposes.

(9) Participation in the activities of an organization referred to in subparagraph (4) above, in a capacity where he should reasonably have had knowledge of the subversive aims or purposes of the organization.

(10) Sympathetic interest in totalitarian, Fascist, Communist, or similar subversive

movements.

(11) Sympathetic association with a member or members of an organization referred to in subparagraph (4) above. (Ordinarily this will not include chance or occasional meetings, nor contacts limited to normal business or official relations.)

(12) Currently maintaining a close continuing association with a person who has engaged in activities or associations of the type referred to in subparagraphs (1) through (10) above. A close continuing association may be deemed to exist if the individual lives at the same premises as, frequently visits, or frequently communicates with such person.

(B) Close continuing association of the type described in subparagraph (12) above, even though later separated by distance, if the circumstances indicate that renewal of the associa-

tion is probable.

(14) Willful violation or disregard of se-

curity regulations.

(15) Any behavior, activities, or associations which tend to show that the individual is not

reliable or trustworthy.

(16) Any deliberate misrepresentations, falsifications, or omission of material facts from a Personal Security Questionnaire, Personal History Statement, or similar document.

(17) Any criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, habitual use of intoxicants to excess, drug addiction.

or sexual perversion,

(18) Acts of a reckless, irresponsible or wanton nature which indicate such poor judgment and instability as to suggest that the individual might disclose security information to unauthorized persons or otherwise assist such persons, whether deliberately or inadvertently,

in activities inimical to the security of the United States.

(19) An adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure.

(20) Any facts which furnish reason to believe that the individual may be subjected to coercion, influence, or pressure which may cause him to act contrary to the best interests of the

national security.

(21) The presence of a spouse, parent, brother, sister, or offspring in a nation whose interests may be inimical to the interests of the United States, or in satellites or occupied areas of such a nation, under circumstances permitting coercion or pressure to be brought on the individual through such relatives.

b. Legitimate labor activities shall not be considered in determining whether clearance

should be granted.

C. The pertinent portions of the Department of Defense Directive 5220.6, dated February 2, 1955, are as follows:

4. Release of Information. All personnel in the Program will comply with applicable directives pertaining to the safeguarding of classified information and the handling of investigative reports. No classified information, nor any information which might compromise investigative sources or methods or the identity of confidential informants, will be disclosed to any contractor or contractor employee, or to his lawyer or representatives, or to any other person not authorized to have access to such information. In addition, in a case involving a contractor employee the contractor concerned will be advised only of the final determination in the case to grant, deny, or revoke clearance, and of any decision to suspend a

clearance granted previously pending final determination in the case. The contractor will not be given a copy of the Statement of Reasons issued to the contractor employee except at the written request of the contractor employee concerned.

22. Action by the Review Board.

a. The Review Board will review each case submitted to it on the written record and will make its determination in each case by majority vote in accordance with the standard and criteria set forth in Section III. At may adopt, modify or reverse the indings or the determination of the Hearing Board. In the event the Review Board modifies the findings or reverses the determination of the Hearing Board, the Review Board determination shall be accompanied by a discussion of the evidence and the reasons relied upon for its action. If the decision is not unanimous, a minority opinion shall be filed.

b. After the Review Board has reached its determination, the Director will notify the person concerned, the activity initially referring the case, and other interested agencies of the final determination in the case. The Director will also issue instructions for the granting, continuing, denying or revoking of clearance in

accordance with the determination.

c. Determinations of the Review Board shall

be final, subject only to: -

(1) Reconsideration on its own motion or at the request of the person concerned, addressed through the Director, on the ground of newly discovered evidence or for other good cause shown:

(2) Reconsideration by the Review Board at the request of the Secretary of Defense or the Secretary of any military department; or

*(3) Reversal by the Secretary of Defense, or reversal by joint agreement of the Secretaries

of the three military departments at the request of one of such Secretaries.

24. Reconsideration of Prior Decisions.

a. Decisions of the Industrial Employment Review Board and of the Appeal Divisions of the Eastern, Central and Western Industrial Personnel Security Boards which denied or revoked a clearance may be reconsidered by the Review Board at the request of the person concerned, addressed through the Director, on the grounds of newly discovered evidence or for other good cause shown.

b. Decisions of the Army-Navy-Air Force Personnel Security Board and of the Screening Divisions of the Eastern, Central and Western Industrial Personnel Security Boards which denied or revoked a clearance may be reconsidered by the Screening Board at the request of the person concerned, addressed through the

Director, for good cause shown.

c. In cases where a clearance has been previously granted and an activity of a military department receives additional derogatory information which was not considered by a Board at the time it decided the case and the commander of the activity is of the opinion, after reviewing the complete file including the record of any prior proceedings, that revocation of the prior clearance is warranted, he will forward the case to the Director, through appropriate channels, for referral to the Screening Board in accordance with paragraph 17.

D. The Industrial Security Manual for Safeguarding Classified Matter, January 18, 1951, provided in pertinent part as follows:

4. General Requirements.

a. The term "Security" as used herein refers to the safeguarding of information classified

by the Government as "Top Secret." "Secret." "Confidential," or "Restricted," against unlawful dissemination, duplication or observation because of its importance to National Defense. The Contractor shall be responsible for safeguarding all classified matter under its control and shall not supply or disclose classified matter to any unauthorized person. The safeguarding of classified information shall be provided for by suitable defensive measures within the Contractor's plant dictated by the accessibility of classified information. Whenever it is impractical to prevent unauthorized individuals from having access to classified matter by other means, it will be necessary to protect such matter by control of the area in which, it is located. The detailed requirements of this manual will therefore establish the safeguards against the unlawful dissemination of classified information which can be achieved by control of matter, individuals and areas, in addition to other security measures necessary for the protection of classified matter.

e. The Contractor shall exclude (this does not imply the dismissal or separation of any employee) from any part of its plants, factories, or sites at which work for any military department is being performed, any person or persons whom the Secretary of the military department concerned or his duly authorized representative, in the interest of security, may designate in writing.

6. Detailed Requirements for Access by Individuals. No individual shall be permitted to have access to classified matter unless cleared by the Government or the Contractor, as the case may be, as specified in the following subparagraphs and then he will be given access to such matter only to the extent of his clearance. An individual requiring clearance shall

be selected by the Contractor's determination of the individual's need for such information in the performance of his assigned duties. 'Any Contractor employee who has been denied a clearance by the Government or whose clearance has been revoked by the Government shall have the right of appeal to the Industrial Employment Review Board of the Munitions Board.

a. Precontract negotiations. In the case of precontract negotiations and advertisements, only those officers, directors, owners, and key employees of the Contractor who have been cleared by the Government unless notified by the Government that such clearances are not required.

b. After award of contract. In the event a contract is awarded, only to individuals as

specified in the following:

(1) United States citizen and alien employees of the Contractor who require access to matter classified Top Secret or Secret in connection with the performance of work on the contract, and who have been cleared by the Government.

(2) Alien employees of the Contractor who require access to matter classified Confidential or Restricted in connection with the performance of work on the contract, and who have

been cleared by the Government.

(3) United States citizen employees of the Contractor who require access to matter classified Confidential or Restricted in connection with the performance of work on the contract, and who have been cleared by the Contractor. A clearance by the Contractor shall be based on a determination that the individual's employment records are in order as to United States citizenship and absence of derogatory information indicating that the interests of such individual are inimical to the security interests of the United States. Whenever there is any evidence that the continued employment of such

persons constitutes a security risk, a report shall be submitted to the contracting officer or his duly authorized representative.

(4) Other persons specifically authorized in

writing by the Government.

c. Application for clearance. Applications for clearance shall be made by the Contractor for its officers, directors, owners, employees, consultants and other individuals not in his regular, employment, for whom Government clearance is required as specified in b (1) and (2) above and shall be made to the contracting officer or his duly authorized representative by submission of the following:

(1) DD Form 48 (Personnel Security Questionnaire to be furnished by the Government) completed and executed by United States

citizens:

(2) DD Form 49 (Alien Questionnaire to be furnished by the Government) completed and executed by aliens.

(3) One properly completed and executed fingerprint card (to be furnished by the Gov-

ernment).

(4) Whenever a clearance has been granted on persons specified in c above, by one of the military departments and the Contractor is invited to bid or is awarded a contract by any other military department, which requires clearance by the Government, the Contractor shall submit a written statement to such other department in lieu of the forms specified in (1), (2) and (3) above, stating the names of the cleared persons involved in the new bid or contract, the department which granted the clearances the dates the clearances were granted, and the extent of the clearances. Whenever additional forms specified in (1). (2) and (3) above are required, the Contractor shall be informed.

SUPREME COURT. U. 8 Office Supreme Court, U.S.

Supreme Court of the United States

October Term, 1958

No. 180

WILLIAM L. GREENE,

Petitioner,

NEIL M. McELROY, THOMAS S. GATES, JR. and ROBERT B. ANDERSON.

VS.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

BRIEF OF AMERICAN CIVIL LIBERTIES UNION, AS AMICUS CURIAE

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New York 1, New York,

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Union, Amicus Curiae.

Rowland Watts John Carey, of Counsel. Parker v. Lester (N. D. Cal.), 112 F. Supp. 433.

Schneiderman v. United States, 320 U. S. 118 ...

Peters v. Hobby, 349 U. S. 331 .

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Supreme Court of the United States

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No. 180

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NEIL M. McElroy, Thomas S. Gates, Jr. and Robert B. Anderson.

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BRIEF OF AMERICAN CIVIL LIBERTIES UNION, AS AMICUS CURIAE

Interest of Amicus Curiae

The American Civil Liberties Union is submitting this brief with the written consent of both parties, filed with the Clerk of this Court. The Union has been gravely concerned over the alarming extent to which the suppression of basic liberties and the corruption of historic safeguards have replaced legitimate police and judicial procedures required to safeguard the security of the country. We therefore stand against guilt by association, judgment by accusation, the invasion of the privacy of personal opinions and beliefs, and the confusion of dissent with disloyalty-all of which are characteristic of the totalitarian tyrannies we abhor. The abuse by wrongful un-American methods of the rightful national aim to safeguard the security of the country, not only betrays the noblest traditions of our history but also impairs our capacity for leadership of free peoples at this crucial time for freedom in the world. Civil liberties,

born of centuries of the people's struggle for dignity and freedom, are a basic part of man's heritage. Freedom of religion, thought, communication, assembly, dissent, freedom from discrimination, and the right to due process of law are highly prized parts of the American heritage.

We are interested in this case because we believe that the "hearing" afforded petitioner in the administrative proceedings below was a "sham" hearing only. In our view, the decision of the court below must be reversed for the following reasons:

- (1) The Defense Department's criteria for judgment are unconstitutionally vague and uncertain, and the procedures employed did not afford petitioner those maximum safeguards which could have been afforded him without impairing the national security;
- (2) Reliance by the Defense Department's Industrial Personnel Security Boards on non-secret but so-called "confidential information," the nature, substance and source of which was undisclosed to petitioner was a denial of administrative due process; and
- (3) Failure to permit petitioner to confront and cross-examine casual, but so-called "confidential informants" who supplied the adverse information relied on by the Appeal Division, Eastern Industrial Personnel Security Board, violated all the essential elements of fairness required in a proceeding of this type.

¹ I.e., maiden-aunts, neighbors and casual busybodies who are neither professional agents nor under-cover informants within the Communist apparatus.

It is the Union's position that petitioner was entitled to confron and cross-examine all the witnesses who supplied the adverse information upon which the Defense Department's Industrial Personne Security Boards relied. Even a professional or "under-cover" agent's testimony "might have been caused by a psychiatric condition." Mesarosh v. United States, 352 U. S. 1, 8. However, for the pur poses of this case we need go no further than the position expressed above.

Statement of the Case

A. Petitioner

Prior to April 17, 1953, petitioner was Vice President in charge of engineering and General Manager of Engineering and Research Corporation, a firm engaged in the production of highly secret defense materials for the Department of Defense. At that time he held clearances for access to classified materials ranging from "confidential" to "secret." On April 17, 1953, the Secretary of the Navy revoked petitioner's clearance for access to classified material on the ground that continued access "is inconsistent with the best interests of national security" (R. 2-3).

B. Administrative Proceedings

Upon petitioner's request for reconsideration or, in the alternative, a hearing, the Navy Department requested the Eastern Industrial Personnel Security Board on October 13, 1953, to accept jurisdiction of his case (R. 21). On March 20, 1954, petitioner's counsel requested the Executive Secretary, EIPSB, to furnish him a copy of the "statement of reasons," as provided by Section 16d of the EIPSB's regulations (R. 178-181).

³ Greene v. McElroy (C. A. D. C.), 254 F. 2d 944, 946, In. 1

Section 16d of the Industrial Personnel and Security Facility Clearance Regulations provided: "If the Screening Division concludes on the basis of the entire file and in accordance with the standard and criteria set forth in Section III that the case does not warrant a security finding favorable to the contractor or contractor employee, it will, in collaboration with the Security Advisor and the Legal Advisor, prepare a notice of proposed denial or revocation of clearance and a Statement of Reasons which will be as specific and detailed as, in the opinion of the Screening Division, security considerations permit, in order to provide the contractor or contractor employee with sufficient information to prepare a reply." Appendix "A", infra, p. 33.

On April 9, 1954, petitioner was furnished with a statement of reasons 5 and after a hearing before the Appeal

5 "Security considerations permit disclosure of the following information that has thus far resulted in the denial of clearance to Mr. Greene:

"1. During 1942 Subject was a member of the Washington Book Shop Association, an organization that has been officially cited by the Attorney General of the United States as Communist and Subversive.

"2. Subject's first wife, Jean Hinton Greene to whom he was married from approximately December 1942 to approximately December 1947, was an ardent Communist during the greater part of the period of the marriage."

"3. During the period of Subject's first marriage he and his wife had many Communist publications in their home, including the 'Daily Worker'; 'Soviet Russia Today'; 'In Fact'; and

Karl Marx's 'Das Kapital'.

"4. Many apparently reliable witnesses have testified that during the period of Subject's first marriage his personal political sympathies were in general accord with those of his wife, in that he was sympathetic towards Russia; followed the Communist Party 'line'; presented 'fellow-traveller' arguments; was apparently influenced by 'Jean's wild theories'; etc.

"5. In about 1946 SUBJECT invested approximately \$1000, in the Metropolitan Broadcasting Corporation and later became a director of its Radio Station WQQW. It has been reliably reported that many of the stockholders of the Corporation were Communists or pro-Communists and that the news coverage and radio programs of Station WQQW frequently paralleled the Communist Party 'line'.

"6. On 7 April 1947 Subject and his wife Jean attended the Third Annual Dinner of the Southern Conference for Human Welfare, an organization that has been officially cited as a

Communist front.

"7. Beginning about 1942 and continuing for several years there for Support maintained sympathetic associations with

thereafter Subject maintained sympathetic associations with various officials of the Soviet Embassy, including Major Constantine I. Ovchinnikov, Col. Pavel F. Berezin, Major Pavel N. Asseev, Col. Hia M. Saraev, and Col. Anatoly Y. Golkovsky.

"8. During 1946 and 1947 Subject had frequent sympathetic association with Dr. Vaso Syrzentic of the Yugoslav Embassy. Dr. Syrzentic has been identified as an agent of the International Communist Party.

Division, EIPSB, on April 28, 29 and 30, 1954 (R. 182-461), petitioner was notified that the Appeal Division had determined that "on all the available information, the granting of clearance to you for access to classified information is not clearly consistent with the interests of national security" (R. 462-463). On June 4, 1954, petitioner's counsel

"9. During 1943 SUBJECT was in contact with Col. Alexander Hess of the Czechoslovak Embassy, who has been identified as

an agent of the Red Army Intelligence.

"10: During 1946 and 1947 Subject maintained close and sympathetic association with Mr. and Mrs. Nathan Gregory Silvermaster and William Ludwig Ullman. Silverman and Ullman have been identified as members of a Soviet Espionage Apparatus active in Washington, D. C., during the 1940's.

"11. Subject had a series of contacts with Laughlin Currie during the period 1945-48. "Currie has also been identified as

a member of the Silvermaster espionage group.

"12. During the period between 1942 and 1947 Subject maintained frequent and close associations with many Communist Party members, including Richard Sasuly and his wife Elizabeth. Bruce Waybur and his wife Miriam, Martin Popper, Madeline L. Donner, Russell Nixon and Isadora Salkind.

"13. During substantially the same period SUBJECT maintained close association with many persons who have been identified as strong supporters of the Communist conspiracy, including Samuel J. Rodman, Shura Lewis, Owen Lattimore, Ed.

Fruchtman and Virginia Gardner," (R. 9-11).

e Petitioner and others had testified that (1) he joined the Washington Bookshop Association in 1942 in order to obtain discount privileges (R. 204); (2) during the period of his marriage to Jean Hinton, he did not know or have reason to know that she was a Communist Party member (R. 403-404, 457); (3) he did not subscribe to any of the communist publications named although he may have seen "between five or ten" issues of the "Daily Worker" in his home (R. 217-218); (4) he did not sympathize with his ex-wife's political views and was not and had never been a member of the Communist Party or a Communist Party Sympathizer (R. 219-222, 226-267); (5) he invested \$1,000 in Station WQQW because the believed it was a good investment and he liked classical music (R. 243-244, 438-439); (6) at the time he attended the Third Annual Dinner of the Southern Conference for Human Welfare all he knew about it "was that it was an organization that was trying to promote

requested a statement of the Appeal Division's findings as required by Section 20 of the EIPSB regulations which were "essential for the preparation of the petition for reconsideration contemplated by Section 20e of the regulations * * * " (R. 464). However, on June 9, 1954, petitioner's counsel was informed that:

the wealth and industry in the South and that a lot of prominent people belonged to it * * * " (R. 242); (7) his contacts with officials of the Soviet Embassy had to do with the sale of a propeller and a non-military type airplane on behalf of the Company for which he was employed (R. 257-266, 419-422); (8) the only contacts he had with Dr. Vasa Syrzentic were in connection with a contract proposal for an engineering study of the Yugoslav lumber industry R. 240-242, 418-491); (9) his sole contact with Col. Hess occurred in 1942 and was arranged for the purpose of selling his firm's equipment to the Soviet government during the period 1942-1946. Col. Hess was eashiered from the Czechoslovakian Army in 1948 and is presently Temployed by Pan American Airlines in the United States (R. 259-265); (10) he as acquainted with the Silvermasters and was friendly with Ullman whom he got to know through his ex-wife but the first knowledge he had of their espionage activities or that they were members of the Communist Party occurred from newspaper reports in 1948, some time after he had seen them for the last time (R. 201-203, 206-210, 384-385, 392, 425-429); (11) he was employed by Dr. Currie in the capacity of an engineering consultant at the rate of \$100. per day, but did not know of his espienage activities until the summer of 1948 which was at least six months after his last contact with Dr. Currie (R. 222-227, 459); (12) and (13) he became acquainted with these people through his ex-wife, but did not know they were Communist party members' (R. 205-206, 210-216, 236-240). Twelve witnesses testified in petitioner's behalf. Under oath and cross-examination they stated that petitioner was a loyal citizen, had never indicated any communist sympathies, was careful about protecting the integrity of classified defense information and in their opinion was a "good security risk." (R. 232, 250, 271, 292, 298, 300, 314, 330-331, 335-336, 343, 356-357, 371, 391, 398-399).

⁷ Section 20e of the Industrial Personnel and Facility Security Clearance Regulations provided: "Decisions of the Appeal Division shall be final, subject only to reconsideration on its own motion or at the request of the appellant for good cause shown or at the request of the Secretary of any military department." Appendix "A", infra, p. 34.

"Security considerations prohibit the furnishing to an appellant of a detailed statement of the findings on appeal inasmuch as the entire file is considered and comments made by the Appeal Division panel on security matters which could not for security reasons form the basis of a statement of reasons." (R. 465)

C. Administrative Proceedings Subsequent to the Filing of Suit

On August 24, 1954, petitioner filed a complaint in the District Court for the District of Columbia seking to invalidate the revocation of his security clearance (R. 1). After the filing of an answer on December 21, 1954 (R. 25), petitioner requested that the Industrial Personnel Security Review Board review his case pursuant to Department of Defense Directive 5220.6, par. 24b (R. 465-466). On March 12, 1956, petitioner's counsel was advised by Jerome D. Fenton, Director, Office of Industrial Personnel Security Review, that the Review Board had entered its determination in the matter "which affirms the decision of the Eastern Industrial Personnel Security Board entered on May 10, 1954 * * * that, on all the evidence, Mr. Greene's access to classified information is not clearly consistent with the interests of national security" (R. 22-23).

Mr. Fenton further advised petitioner's counsel as follows:

"In reaching this determination, the Review Board reviewed the findings of the Eastern Industrial Personnel Security Board, in accordance with its mandate under the above regulations, and determined that there was substantial support for said

⁸ On February 2, 1955, the Industrial Personnel & Facility Security Clearance Directive of May 4, 1953, was superseded by the Industrial Personnel Security Review Regulation issued by the Secretary of Defense. Dept. of Defense Dir. 5220.6. This regulation established new screening, hearing and review boards, including the Industrial Personnel Security Review Board. Appendix "B", infra, p. 35.

findings in the evidence and other material before the Review Board.

"6. That Mr. Greene's credibility as a witness in the proceedings before it was doubtful.

"In reaching its determination in this case, the Review Board concluded, on the basis of the above findings, that Mr. Greene had been in close contact with a number of individuals who were either trusted officials of the Soviet Union or members of the Communist Party actively engaged in its work; that these associations were undertaken and continued with knowledge of the sympathies and activities of these individuals; and that he has been sympathetic towards the Communist Party and the Communist movement.

"In addition, the Appeal Division, Eastern Industrial Personnel Security Board, had strong doubts as to Mr. Greene's credibility as a witness. These doubts were shared by the Review Board. This lack of credibility goes to the heart of the concept of trustworthiness, upon which all security clearances ultimately rest.

"Longstanding policy has dictated that only those persons who are determined to be trustworthy shall have access to classified information (for the latest expression see EO 10501). The Review Board found that such a determination could not be made in Mr. Greene's case, and, therefore, that the decision of the Appeal Division, Eastern Industrial Personnel Security Hearing Board, must stand. (R. 23-24)

⁹ The other findings were:

[&]quot;1. That during the period from 1942 to 1947, knowing of their activity on behalf of the Gommunist Party and sympathizing with it, Mr. Greene associated closely with his ex-wife, Jean Hinton, Mr. and Mrs. Richard Sasuly, Mr. and Mrs. Bruce Waybur, Martin Popper, Russell Nixon, Isadore Salkin, Shura Lewis, and Samuel J. Rodman, all of whom were members of the Communist Party or active in its behalf.

[&]quot;2. That in 1946 and 1947, knowing of their sympathy for the Communist Party, Mr. Greene associated closely with Mr.

D. Court Proceedings

An amended and supplemental answer was filed by the respondents on October 8, 1956 (R. 12). On October 10, 1956, the parties filed a stipulation of facts (R. 27-31). And on April 8, 1957 on cross-motions for summary judgment, the district court granted respondents' motion and dismissed the complaint (R. 476-479). A notice of appeal was filed May 13, 1957 (R. 480), the Court of Appeals for the District of Columbia affirming April 17, 1958 (R. 480-496). A petition for certiorari was filed in this Court on July 16, 1958, and certiorari was granted October 7, 1958 (R. 497).

Summary of Argument

Introductory Statement

The two key issues of this case were never decided by the court below. They are: (1) whether, in the circumstances of this case, the procedures employed afforded petitioner the maximum procedural safeguards he could have been furnished without jeopardizing the national security; and (2) whether the Defense Department's criteria for determining a "security risk" are so uncertain that no

and Mrs. Nathan Gregory Silvermaster, William Ludwig Ullman, and Lauchlin Currie, all of whom have engaged in espionage on behalf of the Soviet Union.

[&]quot;3. That for a number of years beginning in 1942, Mr. Greene maintained a sympathetic association with a number of officials of the Soviet Embassy, as set out in the Statement of Reasons turnished to him.

[&]quot;4. That from 1942 to 1947 Mr. Greene's political views were similar to, and in basic accord with, those of his ex-wife, Jean Hinton.

[&]quot;5. That Mr. Greene was a member of the Washington Book Shop Association; invested money in and became a director of the Metropolitan Broadcasting Corporation; attended a function of the Southern Conference for Human Welfare; and had in his home a number of Communist publications as set out in the Statement of Reasons furnished to him." (R. 23-24).

ascertainable standard for judgment is provided. On the first issue, the Court of Appeals held that the Government was not required to choose between disclosing the identity of "confidential informants" and giving an employee access to highly secret defense information (254 F. 2d, at pp. 950-952). And on the second, it said that it was "not called on to decide whether " " the regulations " " in this field are in every particular or in every possible situation valid and effective" (254 F. 2d, at p. 950).10

The question which the Court of Appeals did undertake to decide (i.e., whether the Government was required to choose between disclosing the identity of confidential informants and granting an employee access to highly secret defense information), was completely irrelevant to a decision below. Here, it is perfectly apparent that the Government was, and is, not required to make that choice. Since, at the very least, "due process" under the Industrial Personnel Security Program must be defined in terms of the maximum procedural safeguards petitioner could have been afforded without jeopardizing the national security, respondents were required to furnish him the non-secret contents of the "classified" investigative file and to permit him to configurat and cross-examine those "neighbors. maiden-aunts and casual busybodies" who either testified against him or otherwise supplied the derogatory information upon which the adverse determination was made.

The majo: issue in this case turns on the constitutionality of paragraph 4 of the Defense Department's Industrial Personnel and Facility Security Clearance Regulation. Paragraph 4 provides that "no classified information, nor information which might compromise investiga-

¹⁰ Nevertheless, the validity of the criteria was squarely raised. See Appellant's Brief, pp. 35-37; Appellees' Brief, pp. 30-32, Greene v. McElroy (C. A. D. C.), No. 13978.

tive sources or methods or the identity of confidential informants, will be disclosed to any * * * employee * * .''
Appendix "A", infra, at p. 29. This provision precluded petitioner (1) from obtaining the non-secret contents of the "classified" investigative file, and (2) from confronting and cross-examining anonymous accusers who were neither professional nor "under-cover" informants. While perhaps the Government is not required to choose between disclosing the identity of professional or under-cover agents and giving an employee access to highly secret defense information, it was not fixed with that choice in this case. In our view, the professional or "under-cover" informant engaged in obtaining intelligence and internal security information for the Government must be separated from those who have no legitimate reason for secrecy, and as to the latter, we think petitioner had a right to confront and cross-examine them. Moreover, respondents made no "finding" (or claim of privilege) that the disclosure of such information would compromise investigative sources and methods. And in any event, such a "finding" would be insufficient-it could not be made to cover a refusal to disclos the identity of a casual informant or the contents of the non-secret information in the "classified" investigative file.

If "due process" in this case is defined in terms of the maximum procedural safeguards which petitioner could have been afforded without jeopardizing the national security, it is immediately apparent that the Eastern Industrial Personnel Security Board's denial of a statement of its findings "essential to the preparation of the petition for reconsideration contemplated by Section 20e of the regulations "" (R. 464) on the ground that "security considerations prohibit[ed]" it (R. 465), deprived petitioner of any "meaningful review" by the Industrial Personnel Security, Review Board. Since the very findings which petitioner was denied because of "security considerations"

on June 9, 1954 were furnished him in the adverse decision of the Industrial Personnel Security Review Board on March 12, 1956 (R. 23-24), petitioner was prevented from obtaining a "meaningful review" of such findings for reasons which simply did not apply to his case.

III

We may assume that the Federal Government may create and administer an Industrial Security screening program. We may also assume that pursuant to such a program, the Government may establish a standard for determining when an employee is a "security risk" and also criteria to guide administrative officials in arriving at a reasoned judgment under it. Nevertheless, there must be some rational connection between the criteria establishing a classification under the standard and the standard itself. In the instant case, not only is the standard (i.s., revocation of security clearance required if "the granting of such clearance is not clearly consistent with the interests of national security") void for vagueness, but the applicable criteria bear no rational connection to it.

ARGUMENT

I

Respondents' Action Was Taken in Violation of Due Process of Law

Paragraph 4 of the Industrial Personnel and Facility Security Clearance Regulation provided that "[n]o classified information, nor any information which might compromise investigative sources or methods or the identity of confidential informants, will be disclosed to any * * employee * * * ." Appendix "A," infra, at p. 29. Under this provision petitioner was denied an opportunity to confront and cross-examine not only "confidential inform-

ants," i.e., professional or "under-cover" informants, but also any person who may have supplied derogatory information against him. 12 In addition, he was prohibited from obtaining the non-secret contents of the "classified" investigative file. 13

The court below pointed out that "the only sanction the courts could employ against the Government for failure to disclose all the information against Greene would be to declare the revocation of Greene's clearance invalid. * * * This would amount to ordering his restoration to access to classified information [which] in turn-would require the executive to disclose a state secret to Greene . * . No court has yet forced the Government to choose between such alternatives either of which might compromise the security of the country." 254 F. 2d, at p. 951. But the Government was not required to make that choice. In our view the intelligence agent must be separated from the envious co-worker, the hysterical ex-wife and the unfriendly neighbor next door, since in the case of the latter, confrontation and cross-examination pose no conceivable compromise of the "national security." If it be claimed that the private citizen would then be unwilling to supply testimony important to the safety of the Nation, Congress has ample authority to give Industrial Personnel Security Boards the power of subpoena. See, Report of Commission on Government-Security, 285-289, 657-664 (1957).

¹¹ Herbert Philbrick is perhaps the best example of this kind of informant.

¹² See, e.g., Charge No. 4 in the Statement of Reasons: "Many apparently reliable witnesses have testified that during the period of Subject's first marriage his personal political sympathies were in general accord with those of his wife, in that he was sympathetic towards Russia; followed the Communist Party 'line'; presented fellow traveler arguments; was apparently influenced by 'Jean's wild theories'; etc." (R. 10). [Emphasis supplied]

¹³ See, Transcript of Hearing before Appeal Division, Eastern Industrial Personnel Security Board. (R. 402-461).

At the very least, "due process" under the Industrial Personnel Security Program must be defined "in terms of the maximum procedural safeguards which can be afforded [petitioner] without jeopardizing the security program." Parker v. Lester (N. D., Cal.), 112 F. Supp. 433, at p. 443. Thus, while the investigative file was undoubtedly marked 'classified," petitioner was nevertheless entitled to examine its non-secret contents. See, Deak v. Pace (C. A. D. C.), 185 F. 2d 997; United States v. Gray (9 Cir.), 207 F. 2d 237, 242. For these same reasons, the Industrial Personnel Security Program is in no way jeopardized when the Government is required to separate the professional or 'under cover" agent from the casual informant having no egitimate reason for secrecy, affording confrontation and cross-examination of the latter: See, Davis, The Requirement of a Trial-Type Hearing, 70 Harv. L. Rev. 193, at pp. 212-214, 233-243 (1956); Donovan & Jones, Program for a Democratic Counter Attack to Communist Penetration of Government Service, 58 Yale L. J. 1211, at pp. 1234-

The Government has refused to meet this rational challenge to its Industrial Personnel and Facility Security Clearance Regulations; instead, it has attempted to obscure judicial consideration of the real problem.¹⁴ But since it is inextricably intertwined in the administration of a Federal

1235 (1949).

¹⁴ In its Brief in Opposition to the Petition for Certiorari, No. 180, U. S. Sup. Ct., October Term, 1958, respondents said: "*** the relief sought would necessarily require disclosure, under compulsion of law, either of classified military contracts or of equally confidential investigation reports (possibly revealing, for example, the identity of informers within the communist apparatus). * * * The result of requiring the Government to grant the petitioner access to classified information unless it is willing to disclose the identity of its informers is, as noted above, precessarily to force disclosure of one of the two types of confidential information. The suggestion that the Government is under a constitutional compulsion to choose one of these two compromises of the national security is surely without merit." Id., at pp. 10-11, 17-18. (Emphasis supplied.)

loyalty-security program covering more than three million employees in twenty-one thousand defense facilities throughout the United States, ¹⁵ we think it no answer for respondents to place themselves between *Scylla* and *Charybdis* in an attempt to avoid meeting it.

Two basic issues are involved here. The first is whether petitioner is entitled to the non-secret contents of the "classified" investigative file. The second, whether he is permitted to confront and cross-examine those of his accusers who are not professional or "under-cover" informants. In putting these issues into sharper focus, we think the Court may find the practical effect of the challenged procedures illuminating. For this reason we have appended our brief amicus curiae in Peters v. Hobby, 349 U. S. 331, which demonstrates the practical effect of the denial of "procedural due process" on those involved in loyalty-security proceedings. See, Appendix "C", infra, at pp. 38-53. A demonstration of actual instances of proven injustice and false and fantastic accusations leveled against individuals involved in situations similar to petitioner's may enable this Court to evaluate more fully the real meaning of the issues posed by this case.

In Dayton v. Dulles (C. A. D. C.), 254 F. 2d 71, reversed on other grounds, 357 U. S. 144, the Court of Appeals upheld a passport denial based on confidential information where the Secretary of State specifically found that "to disclose publicly the sources and details of this information would * * [compromise] investigative sources and methods and seriously [interfere] with the ability of the * * Executive Branch to obtain reliable information affecting our internal security * * [and] to obtain and utilize information from sources abroad and * * [would interfere with] established relationships in the security and

Personnel Security Program—A Field Study, 8 Stanford L. Rev. 234, 244 (1956).

intelligence area." Id., 254 F. 2d, at p. 73. No such finding was made here. But in any event, it could not be made to cover a refusal to disclose the identity of a casual informant having no legitimate reason for secrecy, United States v. Reynolds, 345 U. S. 1, 7-11, or the contents of non-secret information in the "classified" investigative file. Compare, United States v. Heine (2 Cir.), 151 F. 2d 813, cert. den., 328 U. S. 833. See also, Donovan & Jones, Program for a Democratic Counter Attack to Communist Penetration of Government Service, 58 Yale L. J. 1211, at pp. 1234-1235 (1949).

Our view is fully supported by the Report of The Commission on Government Security:

- "Confrontation of persons who have supplied derogatory information should be allowed to the maximum extent consistent with the protection of the national security and as provided below:
- "1. Confrontation of regularly established confidential informants engaged in obtaining intelligence and internal security information for the Government should not be allowed where the head of the investigative agency determines that the disclosure of the identity of such informants will prejudice the national security. In such cases the report supplied by the investigative agency should contain as much of the information supplied by the informant as may be disclosed without revealing the identity of the informant and without otherwise endangering the national security.
- "(a) If confrontation is not permitted under paragraph 1, the hearing examiner should furnish the individual involved with the substance of the information obtained from such informant to the extent that such information is material to the consideration of the issues involved; and should read into the record the substance of such information and the evaluation as to reliability placed upon such confidential informant in the investigative report.

"2. (a) Derogatory information supplied by confidential informants other than those described in paragraph 1 should not be considered, over the objection of the individual involved, by any hearing examiner in arriving at his determination, or by any officer charged with the responsibility for making a final decision as to retention of an employee or as to clearance, unless such informants consent to the disclosure of their identity so as to enable the individual involved to obtain their testimony through the issuance of a subpoena or by depositions orally or on written interrogatories." Id., at pp. 66-67

Accordingly, we think it clear that paragraph 4 of the Industrial Personnel and Facility Security Clearance Regulation, to the extent it prohibited petitioner from (1) being furnished the contents of the derogatory information against him and (2) confronting and cross-examining those casual, but so-called "confidential" informants who supplied that information, is violative of the Fifth Amendment to the Constitution.

11

Respondents Did Not Furnish Petitioner the Maximum Procedural Safeguards He Could Have Been Afforded Consistent with the National Security.

If "due process" under the Defense Department's Industrial Personnel Security Program is defined in terms of the maximum procedural safeguards which petitioner could have been afforded without jeopardizing the national security, it is immediately apparent that respondents' action violated procedural due process in a number of salient respects. One of the more glaring violations is that on June 9, 1954, the Eastern Industrial Personnel Security Board denied petitioner a statement of its findings "essential to the preparation of the petition for reconsideration contemplated by Section 20e of the Regulations * " " " (R. 364)

on the ground that "security considerations prohibit[ed]" it (R. 465). Yet, these very same findings were furnished him on March 12, 1956, in the adverse decision of the Industrial Personnel Security Review Board (R. 23-24). Respondents' action was arbitrary and deprived petitioner of any "meaningful review" by the Industrial Personnel Security Review Board.

On February 2, 1955, the Secretary of Defense promulgated Department of Defense Directive 5220.6 which superseded the previous Industrial Personnel and Facility Security Regulations applicable to petitioner's case. On September 16, 1955, petitioner's counsel requested a review of the adverse determination of the Appeal Division, Eastern Industrial Personnel Security Board, on the ground that the decision sought to be reviewed "was contrary to the facts and involved a misapplication and misinterpretation of the criteria for determining the existence of a security risk" (R. 465).16 On November 1, 1955, the adverse determination of the Appeal Division, Eastern Industrial Personnel Security Board, was forwarded to the Industrial Personnel Security Review Board under the provisions of Section 21b(2) of Department of Defense Directive 5220.6 (R. 23).17 Once a case has been forwarded to the Industrial Personnel Security Review Board under paragraph 21 of the Directive, that Board is required to "review each case submitted to it on the written record" and to make its determination in accordance with the standards and criteria set forth in the regulations. The Review Board is also authorized to adopt, modify or reverse the findings or the de-

Department of Defense Directive 5220.6, par. 24b provides: "Decisions of the Army-Navy-Air Force Personnel Security Board and of the Screening Divisions of the Eastern, Central and Western Industrial Personnel Security Boards which denied or revoked a clearance may be considered by the Screening Board at the request of the person concerned, addressed through the Director, for good cause shown." Appendix "B", infra, at p. 37.

¹⁷ Appendix "B", infra, at p. 36.

termination of the Hearing Board. Department of Defense Directive 5220.6, par. 22a; Appendix "B," iffra, at p. 36. Thus, while petitioner was afforded the right of appeal to the Industrial Personnel Security Review Board from the adverse decision of the Appeal Division, Eastern Industrial Personnel Security Board which had denied him clearance, the action of the Eastern Industrial Personnel Security Board on June 9, 1954, deprived petitioner of any"meaningful review" by the Industrial Personnel Security Review Board under Section 22 of the Directive. See, Gonzales v. United States, 348 U.S. 407, 412-415. While Gonzales involved a draft registrant's right to file a statement with the Appeal Board from an "adverse advisory recommendation" of the Department of Justice's "auxiliary-type hearing," this Court nevertheless required the registrant to have an opportunity to rebut the adverse advisory recommendation when it came before the Appeal Board, since this was the only means of insuring that the Appeal Board would have all of the relevant data before it. The procedure involved in Gonzales, supra, is virtually "on all fours" with the procedure set forth in Department of Defense Directive 5220.6.18

Other glaring examples of violations of maximum procedural safeguards appear on the record as follows:

"Q. I'd like to read to you a quotation from the testimony of a person who had identified himself as having been a very close friend of yours over a long period of years. He states that you, as saying to

¹⁸ The thrust of petitioner's argument to the Review Board was that the EIPSB "[misapplied] and [misinterpreted] the criteria for determining the existence of a security risk" (R. 465). But the crucial finding made by the EIPSB was "6. That Mr. Greene's credibility as a witness in the proceedings before it was doubtful * * * [which] goes to the heart of the concept of trustworthiness, upon which all security clearances ultimately rest" (R. 24). "If petitioner had been afforded a copy of the [findings], he may be have successfully contradicted the basis of the [EIPSB's] conclusion or diminished the forcefulness of its thrust." Gonzale v. United States, 348 U. S. 407, 413.

him one day that you were reading a great deal of pro-Communist books and other literature. Do you wish to comment on that? A. I can't imagine myself making a statement like that. * * * " (R. 409-410)

- * Here's another man who indicates that he has been a friend of yours over a long period of time who states that he was a visitor in your home on occasions and that regarding some of these visits, he met some of your wife's friends, these people we've been talking about in the past and that one occasion, he mentioned in particular, the topic of conversation was China and that you set forth in the conversation and there seemed general agreement. among all of you at that time that the revolutionists in China were not actually Communists but were agrarian reformists which as you probably know is part of the Communist propaganda line of several years back. This man further stated that he considered you misguided in your political views at that time but since the termination of your first marriage, you've completely changed in this respect. Do you wish to offer any comment on that before I go A. Well, my wife may have told me that they were agrarian reformers. A wasn't interested in the problem particularly and if there was a conversation about it, I wasn't going to start a fight about something I didn't know. I didn't know what they were. (R. 410-411)
- "Q. We have a statement here from another witness with respect to yourself in which he stated that you felt that the modern people in this country were too rich and powerful, that the capitalistic system of this country was to the disadvantage of the working people and that the working people were exploited by the rich. A. I can't believe that I ever-made that statement because I spent all my life trying to make the maximum amount of money that I could." (R. 412-413)

[&]quot;Q. I have a statement from another one of your associates to the effect that you would at times, pre-

sent to him a fellow-traveler argument. This man indicated to us that he was pretty well versed on the Communist Party line himself at that time and found you parroting arguments which he assumed that you got from your wife. Do you wish to comment on that? A. I really don't know what a fellow-traveler argument would be * * *. I just don't know what you mean by that. * * *." (Emphasis supplied.) (R. 413)

"Q. We have information here, this has come from an informant characterized to be of known reliability in which he refers to conversations he had with you about January of 1947 in which you told him that you had visited Martin Popper the previous evening and had become rather chummy with him, do you wish to comment on that? A. I never became chummy with Mr. Popper. * * * * " (R. 435)

In none of these instances was petitioner permitted to confront or cross-examine the informants who supplied the derogatory information against him, yet it can scarcely be claimed that these persons were other than *neighbors* or casual informants having no legitimate reason for remaining unknown to petitioner or his counsel. Petitioner was not even furnished a copy of his oral statement made to two FBI agents several years previously (R. 405-406, 407, 415, 416, 418).

The rule enunciated by this Court in Gonzales v. United States, 348 U. S. 407, is a rule based on "due process" considerations. Id., at pp. 412-415. And the rule enunciated by the Court of Appeals in Deak v. Pace (C. A. D. C.), 185 F. 2d 997, and by the Ninth Circuit in United States v. Gray,

¹⁹ It would hardly advance matters further to show in detail each instance in which petitioner was denied the right to confront and cross-examine adverse witnesses who were neither professional nor under-cover agents within the Communist apparatus. It is sufficient to point out that the Government stipulated that the EIPSB considered "information neither the content, nor source of which has been revealed to [petitioner]." (R. 30)

207 F. 2d 237, at p. 242, is an attempt by the courts to infuse into the government's loyalty-security programs a definition of procedural "due process" in terms of the maximum procedural safeguards which can be afforded an employee without impairing the national security.20 Cf. Davis, The Requirement of a Prial-Type Hearing, 70 Harv. L. Rev. 193, 241-242 (1956), The Government's argument that to require it "to grant the petitioner access to classified information unless it is willing to disclose the identity of its informers is * * * necessarily to force * * * [the Government] to choose [between] one of .* * * two compromises [to] the national security * * * " (Brief in Opposition to Petition for Certiorari, pp. 17-18), fails to come to grips with the problem. Furnishing petitioner with a statement of the findings of the Hearing Board might have been a laborious, time-consuming or even embarrassing task; it could not have inspaired the Nation's ability to protect itself from "internal subversion or foreign aggression." Cole v. Young, 351 U.S. 536, 544, The very same applies to the "neighbors, maiden-aunts and casual busybodies" who supplied the derogatory information set forth above and to the report of the conversation between petitioner and two agents of the Federal Bureau of Investigation Nevertheless, without explaining how, the Government baldly asserts that such disclosures would compromise the national security. The mere assertion of this formula is not enough; judicial control of the issues cannot be abdicated to arbitrary action by the Executive in the name of a reason which simply does not apply to this case. United States v. Reynolds, 345 U.S. 1, 7-11.

²⁰ In Cole v. Young, 351 U. S. 536, this Court defined "National security" as involving "only those activities of the Government that are directly concerned with the protection of the Nation from internal subversion or foreign aggression, and not those which contribute to the strength of the Nation only through their impact on the general welfare." Id., at p. 544.

The Industrial Personnel and Facility Security Clearance Regulation Provides No Ascertainable Standard for Judgment.

The standard for denial of a security clearance is a masterpiece of abstraction. If it is not "clearly consistent with the interests of the national security" to grant a security clearance, a clearance will be denied or revoked. Industrial Personnel and Facility Security Clearance Regulation, § 11, Appendix "A," infra, at p. 29. But what is "security"! And what is in the "interests of the national security"! The definition supplied by this Court in Cole. v. Young, 351 U. S. 536, 544, is little help. Yet, security hearing board members who administer these regulations are required to interpret this vague, abstract standard, and determine if a granting of a clearance is not only consistent with its meaning. but clearly consistent with its meaning.

The Industrial Personnel and Facility Security Clearance Regulation attempts to aid a befuddled board member in the application of this standard by establishing specific criteria which may be used as the basis for a denial of clearance, but which need not be used. And even with the aid of these criteria, board members are specifically directed to make their ultimate determination an "overall, common-sense one." Industrial Rersonnel and Facility Security Clearance Regulation, \$12a. This direction is the equivalent of a direction to do as one sees fit; it is

²¹ The term "security risk" may be defined as an individual who, by reason of his access to classified information or materials, may intentionally or inadvertently disclose secret information which would find its way into the hands of a potential enemy. Professor Brown describes three general types of potential security risks: "pressure risks", "reliability risks" and "political risk!" Brown, Loyalty and Security, 254-282 (1958).

vagueness at its worst. Cf. O'Brian, National Security and Individual Freedom, 64 (1955). And by directing it board members to make an "over-all, common-sense" determination that the granting of clearance is "clearly consistent with the interests of national security," we think the Defense Department has conceded the uncertainty of it standard.

The criteria made applicable by the "statement of rea sons" to petitioner's case (R. 9) are set forth in Subsec tions 12a(2), (4), (7), (8), (9), (10) and (11) of the Indus trial Personnel and Facility Security Clearance Regulation Appendix "A," infra, at pp. 30-31. These criteria, designe as aids in arriving at the ultimate "over-all, common sense" determination, serve only to make the standard of judgment more unclear. For example, Section 12a(2) pro scribes the activity of establishing or continuing a "sym pathetic association" with a spy, traitor, "seditionist," "anarchist," or "revolutionist," or with a person who ad vocates the alteration of the form of government of th United States by means which need not be violent or force ful-only "unconstitutional." This criterion is filled wit ambiguous terms. When the word "revolutionist" is rea in context, its possible meanings are sweeping. Appar ently, a "revolutionist" need not be an advocate of violen revolution or even an "unconstitutional" revolution. Unde this test even an early twentieth century feminist qualifies

Equally vague is Section 12a(4) which proscribes membership in, affiliation with, or sympathetic association with any organization, association, movement, group, or combination of persons which is totalitarian, Fascist, Communist, or "subversive" or which has adopted or shows a policy of advocating or approving the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States, or which seeks to altee the "form of government" of the United States by "unconstitutional means." Industrial Personnel and Facility See

curity Clearance Regulation, § 12a(4), Appendix "A," infra, at p. 30. Again we meet the activity of advocating "alteration of the form of government by unconstitutional means." But these means can be peaceful means. Does the member or sympathizer have to know that the means are unconstitutional? The regulation does not state.

Of special significance is the term "subversive." The words totalitarian, Fascist, and Communist are, not easy to pin down, but the meaning of sub ersive is especially elusive. Probably as good a definition of subversive as can be found is "tending to overthrow from the foundation." (Funk & Wagnall's New Standard Dictionary.) The word is used in Section 12a(4) to define an organization or group that is something more or less than, but different from an organization or group that is totalitarian, Fascist, Communist, or which advocates acts of force to deny other persons their constitutional rights or which advocates the alteration of the present form of government of the United States by unconstitutional means. 'A good share of normal political opposition can be brought within this definition. See, Sweezy v. New Hampshire, 354 U. S. 234, 246-247. In this context, Mr. Justice Douglas has pointed out that the term "subversive"

someone else. It will be given meaning according to the predilections of the prosecutor: 'subversive' to some will be synonymous with 'radical', 'subversive' to others will be synonymous with 'communist'. It can be expanded to include those who depart from the orthodox party line—to those whose words and actions (though completely loyal) do not conform to the orthodox view on foreign or domestic policy 's Since [these flexible standard] are subject to grave abuse, they have no place in our system of law.' (Joint Anti-Fascist Refugee Committee v. McGrath, 341 U. S. 123, 176.)

Apart from the uncertainty which permeates the criteria, the Defense Department regulation arbitrarily pro-

scribes rights of association guaranteed by the Firs Amendment. In arriving at the "over-all, common-sense" determination that clearance be "clearly consistent" with the interests of national security" the extent of an em ployee's associations looms large. Of course, where hi associations are such that the ideals and motives of the persons or organizations with whom he associates can fairly be imputed to the employee himself, then the fact of association has probative value. Cf. Bridges v. Wixon, 32 U.S. 135. But where the strength of the association is les than this it has no probative value. It is the strength b the association and not the fact of association that is im portant. Many men belong to a church and are not practitioners of its faith. It takes devoutness to the faith o one's church to make one a practitioner of his religion. Th regulation's criteria do not make the necessary distinction between the strength of an association and the fact of asso ciation. Yet, while a hundred members of an organization may be disloyal or "risks," the one hundred and firs member may be a backslider, a deviationist, or even a FBI informer. This Court acknowledged in Schneiderman v. United States, 320 U. S. 118, that "men in adhering to a political party or organization do not subscribe unqual ifiedly to all its platforms or asserted principles." Id., a p. 136.

Consider Section 12a(11), which was one of the criteria upon which petitioner's revocation of clearance was based

"(11) Sympathetic association with a member of members, of an organization referred to in subpart agraph (4) of this paragraph. (Ordinarily, this will not include chance or occasional meetings, nor contacts limited to normal business or official relations.)"

Subparagraph (4), referred to in the above criterion, set forth as unfit those organizations which are any one of the following: totalitarian, Fascist, Communist, subversive those which have adopted or show a policy of advocating

or approving the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States, or those which seek to alter the form of government of the United States by unconstitutional means. Section 12a(11) then, sets forth as a criterion for the denial of clearance the activity of associating with another person who, in turn, is a member of one of these vaguely defined organizations. The ideals of the organization are imputed to its member who carries them to the person under examination and infects him with its ideals. is important to note that only the strength of the association between the two individuals is examined here. strength of the association between the germ-carrier and his organization is not material to a determination under Section 12a(11) that the person under examination is a "risk".22 This Court has recently discussed the evils of this kind of vagueness as a standard for judgment. Watkins v. United States, 354 U. S. 178, at pp. 201-206. Indeed, the standard of judgment established by the criteria is so broad (virtually all active intelligent adults are, or have been, guilty of "guilt, by association" at least once or twice removed), we think it patently unreasonable. See, Butler v. Michigan, 352 U.S. 380.

CONCLUSION

Respondents' action in this case finds no justification in the national security interest of the United States. Indeed, their action was destructive of the very interest they sought to protect. In our tradition liberty and security are complimentary, not opposing ideas. "Security is gained through liberty rather than in opposition to it." Report of the Special Committee on the Federal Loyalty-Security Program of the Association of the Bar of the City of New York, 27 (1956). Thus, "National Security"

See, e.g. Charges 12 and 13 of the "Statement of Reasons" (R. 11).

is not a prop which supports respondents, case. Rather it is the test which demands that the Government's procedures be fair so that our engineers and scientists involved in vital jobs upon which our very survival may depend can serve the Nation with freedom from fear—not only from an "innocently mistaken informer," but from a malicious or demented [one] as well."

By reason of the foregoing the decision below should be reversed.

Respectfully submitted,

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APPENDIX A'

INDUSTRIAL PERSONNEL AND FACILITY SECURITY CLEARANCE REGULATIONS OF MAY 4, 1953

Paragraph 4. Release of Information. All Government personnel, including all members of the Boards and the Divisions in the Program, will comply with applicable directives pertaining to the safeguarding of classified security information and the handling of investigative reports; and no classified security information or any information which might compromise investigative sources, investigative methods or the identity of confidential informants will be disclosed to any contractor or contractor employee, or to their counsel or representatives, or to any other person not cleared for access to such information. In addition, in a case involving a contractor employee, the contractor concerned will be advised only of the final determination in the case to grant, deny or revoke clearance, and of any decision to revoke a clearance granted previously pending final determination in the case. The contractor will not be given a copy of the Statement of Reasons issued to the contractor employee except at the written request of the employee involved.

Standard and Criteria

Paragraph 11. Standard for Denial of Clearance. The Standard for the denial of clearance shall be that, on all the information, the granting such clearance is not clearly consistent with the interests of national security.

Paragraph 12. Criteria for Application of Standard in Cases Involving Individuals.

a. The activities and associations listed below which may be the basis for denial of clearance are of varying degrees of seriousness. Therefore the ultimate determina-

tion of whether clearance should be granted must be an over-all common-sense one, based on all available information.

- (1) Commission of any act of sabotage, espionage, treason, or sedition, or attempts thereat or preparation therefor, or conspiring with, or aiding or abetting, another to commit or attempt to commit any act of sabotage, espionage, treason, or sedition.
- (2) Establishing or continuing a sympathetic association with a saboteur, spy traitor, seditionist, anarchist, or revolutionist, or with an espionage or other secret agent or representative of a foreign nation, or any representative of a foreign nation whose interests may be inimical to the interests of the United States, or with any person who advocates the use of force or violence to overthrow the government of the United States or the alteration of the form of government of the United States by unconstitutional means.
- (3) Advocacy of use of force or violence to overthrow the government of the United States, or of the alteration of the form of government of the United States by unconstitutional means.
 - (4) Membership in, or affiliation or sympathetic association with, any foreign or domestic organization, association, movement, group, or combination of persons which is totalitarian, Fascist, Communist, or subversive, or which has adopted, or shows, a policy of advocating or approving the commission of acts of force or violence to deny other persons their rights under the constitution of the United States, or which seeks to alter the form of government of the United States by unconstitutional means.
 - (5) Intentional, unauthorized disclosure to any person of security information, or of other information disclosure of which is prohibited by law.
- (6) Performing or attempting to perform his duties, or otherwise acting, so as to serve the interests of another

government in preference to the interests of the United States.

- (7) Participation in the activities of an organization established as a front for an organization referred to in subparagraph (4) above when his personal views were sympathetic to the subversive purposes of such organization.
- (8) Participation in the activities of an organization with knowledge that it had been infiltrated by members of subversive groups under circumstances indicating that the individual was a part of or sympathetic to the infiltrating element or sympathetic to its purposes.
- (9) Participation in the activities of an organization referred to in subparagraph (4) above, in a capacity where he should reasonably have had knowledge of the subversive aims or purposes of the organization.
- (10) Sympathetic interest in totalitarian, Fascist, Communist, or similar subversive movements.
- (11) Sympathetic association with a member or members of an organization referred to in subparagraph (4) above. (Ordinarily this will not include chance or occasional meetings, nor contacts limited to normal Jusiness or official relations.)
- (12) Currently maintaining a close continuing association with a person who has engaged in activities or associations of the type referred to in subparagraphs (1) through (10) above. A close continuing association may be deemed to exist if the individual lives at the same premises as, frequently visits, or frequently communicates with such person.
- (13) Close continuing association of the type described in subparagraph (12) above, even though later separated by distance, if the circumstances indicate that renewal of the association is probable.

- (14) Willful violation or disregard of security regulations.
- (15) Any behavior, activities, or associations which tend to show that the individual is not reliable or trustworthy.
- (16) Any deliberate misrepresentations, falsifications, or omission of material facts from a Personal Security Questionnaire, Personal History Statement, or similar document.
- (17) Any criminal, infamous, dishonest, immoral, or notoriously distraceful conduct, habitual use of intoxicants to excess, drug addiction, or sexual perversion.
- (18) Acts of a reckless, irresponsible or wanton nature which indicate such poor judgment and instability as to suggest that the individual might disclose security information to unauthorized persons or otherwise assist such persons, whether deliberately or inadvertently, in activities inimical to the security of the United States.
- (19) An adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure.
- (20) Any facts which furnish reason to believe that the individual may be subjected to coercion, influence, or pressure which may cause him to act contrary to the best interests of the national security.
- (21) The presence of a spouse, parent, brother, sister, or offspring in a nation whose interests may be inimical to the interests of the United States, or in satellites or occupied areas of such a nation, under circumstances permitting coercion or pressure to be brought on the individual through such relatives.
- b. Legitimate labor activities shall not be considered in determining whether clearance should be granted.

Paragraph 16 d. If the Screening Division concludes on the basis of the entire file and in accordance with the standard and criteria set forth in Section III that the case does not warrant a security finding favorable to the contractor or contractor employee, it will, in collaboration with the Security Advisor and the Legal Advisor, prepare a notice of proposed denial or revocation of clearance and a Statement of Reasons which will be as specific and detailed as, in the opinion of the Screening Division, security considerations permit, in order to provide the contractor or contractor employee with sufficient information to prepare a reply. The notice will also forward to the contractor or contractor employee a copy of this directive and will inform him of his right within 10 calendar days from the date of his receipt of the notice, to reply to the Statement of Reasons in writing under oath or affirmation, together with such statements, affidavits or other documentary evidence as he may desire to submit.

Paragraph 20. Appeal Division Determination.

- a. As promptly as possible after the hearing, and after full consideration of the complete file, including all evidence, arguments, briefs, testimony and discussions in each case, the Division will meet in executive session and reach its determination under the tandard and criteria set forth in Section III.
- b. The determination will be reached by majority vote, will be recorded in writing, signed by the members, and will be made a permanent part of the record in each case. If a minority opinion is given, it will also be made a part of the permanent record.
- c. The determination will include a finding with respect to each of the statements set forth in the Statement of. Reasons.

d. The findings will also include any other statements pertinent to the determination of the case, and a statement in the following form:

"The Appeal Division determines that, on all the available information, the granting of clearance to for access to classified security information is (is not) clearly consistent with the interests of national security."

e. Decisions of the Appeal Division shall be final, subject only to reconsideration on its own motion or at the request of the appellant for good cause shown or at the request of the Secretary of any military department.

APPENDIX B

INDUSTRIAL PERSONNEL SECURITY REVIEW REGULATIONS

Department of Defense Directive 5220.6.

10. Industrial Personnel Security Review Board

- a. The Review Board will be located in the Office of Industrial Personnel Security Review and will be responsible for the performance of the duties and functions hereinafter prescribed.
- b. The Secretary of each military department will appoint one or more members, military or civilian; to the Review Board as the case load requires. The Director will designate one member to serve as Chairman of the Review Board. Any three members so appointed, one from each military department, will so constitute a quorum-panel that more than one panel may be convened at the same time. One of the members of each quorum-panel must be a qualified lawyer and each quorum-panel will include at least one civilian.
- c. The Review Board will have jurisdiction over all cases referred to it in accordance with this regulation.

21. Procedure After Determination by the Hearing Board

a. After the Hearing Board has considered a case and reached a determination, the Executive Secretary promptly will forward the complete file to the Director who will examine it for completeness and compliance with the procedures set forth in this regulation. If the Director is not atisfied with the state of the record in the case, he may return the case to the Hearing Board for further action. In any case in which the Director is satisfied with the record and in which the determination of the Hearing Board is unanimous, he may announce that determination as the final determination of the case. He will notify the person

concerned, the activity initially referring the case, and other interested agencies of this determination. The Director also will issue instructions for the granting, continuing, denying or revoking of clearance in accordance with the determination. If the determination of the Hearing Board is not unanimous, the Director shall forward the case to the Review Board. He also may forward to the Review Board cases which present novel issues or unusual circumstances.

- b. The determination of the Hearing Board as announced by the Director pursuant to paragraph a above shall be final subject only to:
- (1) consideration by the Review Board at the request of the Director, the Secretary of Defense, or the Secretary of any military department; or
- (2) reconsideration by the Hearing Board at the request of the Director on the ground of newly discovered evidence or for other good cause shown.

22. Action by the Review Board

- a. The Review Board will review each case submitted to it on the written record and will make its determination in each case by majority vote in accordance with the standard and criteria set forth in Section III. It may adopt, modify or reverse the findings or the determination of the Hearing Board. In the event the Review Board modifies the findings or reverses the determination of the Hearing Board, the Review Board determination shall be accompanied by a discussion of the evidence and the reasons relied upon for its action. If the decision is not unanimous, a minority opinion shall be filed.
 - b. After the Review Board has reached its determination, the Director will notify the person concerned, the activity initially referring the case, and other interested agencies of the final determination in the case. The Director will also issue instructions for the granting, continu-

ing, denying or revoking of clearance in accordance with the determination.

- c. Determinations of the Review Board shall be final, subject only to:
- (1) Reconsideration on its own motion or at the request of the person concerned, addressed through the Director, on the ground of newly discovered evidence or for other good cause shown;
- (2) Reconsideration by the Review Board at the request of the Secretary of Defense or the Secretary of any military department; or
- (3) Reversal by the Secretary of Defense, or reversal by joint agreement of the Secretaries of the three military departments at the request of one of such Secretaries.

24. Reconsideration of Prior Decision

b. Decisions of the Army Navy-Air Force Personnel Security Board and of the Screening Divisions of the Eastern, Central and Western Industrial Personnel Security Boards which denied or revoked a clearance may be reconsidered by the Screening Board at the request of the person concerned, addressed through the Director, for good cause shown.

27. Changes in Existing Directives

This regulation supersedes the Industrial Personnel and Facility Security Clearance Program approved by the Secretaries of the Army, Navy and Air Force on 4 May 1953, as amended, and the provisions of any other directives which are inconsistent with this regulation.

APPENDIX C

IN THE

Supreme Court of the United States

October Term, 1954

No. 376

JOHN P. PETERS,

Petitioner,

VS.

OVETA CULP Hobby, et al., Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT.

BRIEF OF AMERICAN CIVIL LIBERTIES UNION, AS AMICUS CURIAE

The Issue

The question before this Court is whether or not an employee holding a non-sensitive, non-policy-making position in a non-sensitive agency of the Federal government is entitled to know the nature, source and substance of the charges against him and an opportunity to confront and cross-examine adverse witnesses, in a proceeding to discharge him from employment on the alleged ground that there is a "reasonable doubt." as to his loyalty.

Inasmuch as the legal and constitutional issues are ably and fully dealt with in petitioner's brief, we believe it un-

ecessary to burden this Court with a repetition of those reguments. Accordingly, our brief will demonstrate the ractical effect of the denial of "procedural due process" in those who have been involved in loyalty-security procedings. We believe that a demonstration of actual intancés of proven injustice and false and fantastic eccusations against individuals who have been involved in these ituations will enable the Court to evaluate the real meaning of the issues posed by this case.

POINT I

Reliance by the Loyalty Board Upon Confidential aformation, the Nature, Substance and Source of Which Was Undisclosed to Petitioner, Is a Denial of the Process of Law.

The Loyalty Board's consideration of secret evidence, are nature, substance and source of which was undisclosed petitioner in this case is the rule and not the exception a loyalty-security proceedings. Wholly apart from the destion of the right to confront and cross-examine adverse itnesses, loyalty and security boards rely to a large measure on so-called "confidential" information which is gathered by the Federal Bureau of Investigation and other insettigative agencies in the regular course of their operations."

The case of "Charles B. Smith" an important official of the United Nations Secretariat, 10 is an excellent example.

Departments of State, Justice, Commerce and the Judiciary Appropriations for 1951, Hearings, subcommittee of the Committee on propriations, Senate, 8!st Cong., 2nd Sess. (1950), pp. 136-137.

[&]quot;Charles B. Smith" Respondent v. International Organizations imployees Loyalty Board, "Hearing", Dec. 14, 1953, New York, Y., resulting in a determination on Jan. 26, 1954 of "no reasonable doubt as to the loyalty of [Charles B. Smith] to the Government of the United States." The name "Charles B. Smith" is fictious. The true name will be supplied to the Clerk of the Court request.

In the Smith case, respondent was alleged to have been employed by the now defunct San Francisco School of Social Studies from 1934 to 1940, under the supervision of Alexander Meiklejohn and that:

"Information has been received by the Commission to the effect that the School of Social Studies at San Francisco, was actively engaged in the promulgation and dissemination of Communist propaganda; that the interrogation of prospective students by this school reflected that this institution was anxious to acquire pupils inclined to Marxist philosophy "" (Charles B. Smith, Interrogatory No. VII, International Organization Employees Loyalty Board, Oct. 9, 1953).

A request for the source of this accusation was refused but after an exhaustive independent investigation by Smith's attorneys, the charge was found to be based on a verified complaint in a law suit commenced in 1938, in the courts of California, entitled "Ivan Francis Cox v. 13th District of the Communist Party, et al." (Complaint No. 278084, San Francisco County, as amended January 20, 1938) wherein it was alleged:

"That the said sponsors and directors of the said San Francisco School of Social Studies have conspired and confederated together to keep from the public press of the City of San Francisco and the State of California, the true facts surrounding the enunciated purposes and aims of said school, and have otherwise by devious and diverse means attempted to use influence and pressure on several individuals and persons on numerous and sundry oc. casions with the object and purpose of hiding and concealing the fact that the said San Francisco School of Social Studies is, in reality, a training school for adult organizers of the Communist Party of the United States, and, more particularly the 13th District of said Communist Party, with headquarters at No. 121 Haight Street; San Francisco, California."

In dropping the law suit seven months later, Cox stated, under oath on September 2, 1938, that the suit was instituted in order to "smear" every prominent person in the State of California, including all the Regents of the University of California, that he had been "duped" by a private detective then "wanted" on a warrant for assault, and the detective's attorney (thereafter censured by the California Bar Association); that he knew nothing about the San Francisco School of Social Studies and was induced to commit perjury by the detective and his lawyer. The law suit was then dismissed by the California courts with prejudice.

This was the source of the information that branded the "San Francisco School of Social Studies" as "actively engaged in the promulgation and dissemination of Communist propaganda" when it has been recognized by leading educators as one of our most successful early experiments in adult education and that it had no association with any political or economic group whatsoever. Cf. Powell, "Education for Maturity," Hermitage Press (New York, 1949). The source of the information upon which Interrogatory VII in the Smith case was heard was not disclosed to Mr. "Smith" and was not known to the members of the International Organizations Employees Loyalty Board even though it could in no way be considered "secret," United States v. Heine (2 Cir.), 151 F. 2d 813. Fortunately, it was shown to be a complete fraud and hoax; but what would the result have been, if the source of the Charge had not been discovered by Smith's attorneys? What weight would the Loyalty Board have given to Charge VII, which was part of "all the evidence" upon which the Board was authorized to make a determination?

Not Served. Trial Unset. Whole Action Designed Apparently to Smear People He Claims, San Francisco "Chronicle", August 29, 1938; San Francisco "Examiner", August 29, 1938.

Not so fortunate was Robert Fulton Waldeck, ¹² a former medical photographer in a Veterans' Administration Hospital in Memphis, Tennessee. Although this employee had no access to classified material and was not in a policy-making position, he was suspended as a "security risk." Charge 3 of the Statement of Charges against him was:

" * * association with persons who were members of or affiliated with the Communist Party during the years 1938 and 1939, through your affiliation with the American Labor Party. The American Labor Party is referred to solely for the purpose of identification as to time, place and circumstances."

The employee asked for the names of the individuals allegedly involved in this allegation but was informed that the charge was "as specific and detailed as security considerations, including the need for the protection of confidential sources of information, permit." The employee testified that the only affiliation he had ever had with the American Labor Party was the fact of registration in New York elections in 1938 and 1939, that he had never attended a meeting of the American Labor Party, and that he had never been a member of the American Labor Party. addition he submitted an affidavit from a former official of the American Labor Party which stated that the American Labor Party was controlled and dominated by anti-Communist trade-unionists until 1944, long after the employee stopped registering to vote "ALP." On October 7, 1954. the employee was informed that the charge was sustained "on the evidence of record," and that he was dismissed, effective October 12, 1954.

Ira S. "Stone," 13 a former employee of an engineering firm engaged in defense work, was accused, as was his wife,

¹² Waldeck v. Higley, et al. (U. S. D. C., D. C.), Civil Action No. 4698-1954, now pending.

¹³ Appeal of Ira S. "Stone", Case No. 54-800, now pending before the Appeal Division, Eastern Industrial Personnel Security Board. The name "Stone" is fictitious. The true name will be supplied to the Clerk of the Court on request.

of expressing opinions in favor of Communism and having the reputation of being "pro-Communist." When Mr. Stone's attorneys asked that the Board inform them of the nature and substance of the opinions allegedly express "in favor of Communism," and where and when Mr. Stone and his wife acquired a "pro-Communist" reputation, they were informed by the Board "that the disclosure of the requested information is either unauthorized or unnecessary."

The government's failure to disclose the nature, substance and source of secret evidence, wholly apart from the problem of confronting and cross-examining adverse witnesses, has resulted in the following farcial accusations levelled against individuals involved in loyalty-security proceedings. In one case, an employee was accused of having been on the staff of the "Daily Worker"; investigation disclosed that the staff member of the Daily Worker achieved the same name as the Government employee only by the unfortunate coincidence of marriage. Bontecou, "The Federal Loyalty-Security Program," Cornell University Press, New York 1953, p. 83.

The same writer reports that a bachelor was formally accused of having a Communist wife (supra, p. 83); while another employee was accused of advocating the overthrow of capitalism by force and violence, an allegation which proved to relate to his socialist views in college days (supra, p. 105). Still another employee was challenged because of a letter he had drafted upon the orders of his superior—presumably on the theory that he had performed this duty in the interests of a foreign power (supra, p. 106). Miss Bontecou reports the case of the individual, well known to friends as an active anti-Communist who had opened their eyes to "Party machinations" in labor unions and other organizations, who was accused of placing on his walls, banners emblazoned with the hammer and sickle on which appeared the slogan, "Workers Arise" (supra, at p. 113).

Still another piece of nonsense, which would be funny were it not so serious, is the case of a man charged as a Communist because some unidentified informant reported that he had Communist literature in his basement. The literature turned out to be a file of the "New Republic." Joseph and Stewart Alsop, "We Don't Want Loyal Numskulls," Washington Post, August 22, 1948.

Apart from the Dorothy Bailey case, the courts that have considered this issue had before them situations where the employees were employed either in "sensitive" agencies or "sensitive" jobs. Nevertheless, they have uniformly held that either "due process" of law or a statutory requirement necessitates that the employee be informed of the nature, source and complete substance of the derogatory information against him. United States v. Gray (9 Cir.), 207 F. 2d 237, 241-242; Deak v. Pace, 88 U. S. App. D. C. 50, 185 F. 2d 997; Parker v. Lester (D. Calif.), 112 F. Supp. 433, 444; Money v. Anderson (denied cross-examination, employee successfully sued accusers for libel; discharge invalidated because charges insufficient to prepare defense), 208 F. 2d 34; Manning v. Stevens (D. C. Cir.), 208 F. 2d 827.

Indeed; non-disclosure of confidential information in civil cases will be permitted only when it is clear that the safety of the nation will be adversely affected. *United States* v. *Reynolds*, 345 U. S. 1, 7, 11.14 And no less an authority on counter-espionage than General William J. Donovan, wartime head of the O. S. S., has stated:

"While the Board's conclusion on the importance of protecting the investigatory work of the FBI appears justified, it does not follow that a Government employee must therefore be denied opportunity

¹⁴ Compare rule on non-disclosure in criminal cases: United States v. Andolscheck (2, Cir.), 142 F. 2d 503; United States v. Beckman (2 Cir.), 155 F. 2d 580; United States v. Coplon (2 Cir.), 185 F. 2d 629, 638.

to be informed of the sources of the evidence upon which the charges against him are based. Certainly in practice much more could be disclosed to the employees than is currently disclosed. There seems no reason why the anonymous informant who is not in the regular employ of the FBI and whose testimony is relied on by the Board should not be revealed to the employee. It seems reasonable also that the Board should have the right to subpoena these informants. If non-confidential informants do not want to stand up and be counted, then their information should be used only as possible leads and not be made the basis of a record which cannot be refuted. And where it is impossible to reveal to the employee the source of the evidence against him, as in the case of confidential informants, the employee should at least be fully apprised of the contents of the testimony. 1' (Donovan & Jones, Program For A Democratic Counter Attack to Communist Penetration Of Government Service, 58 Yale L. J. 1211, 1234-1235.)

Thus, wholly apart from the question of the right to confront and cross-examine adverse witnesses, the Loyalty Board's consideration of secret evidence, the nature, substance and source of which was unknown to petitioner, was completely unjustified and constituted a flagrant denial of "procedural due process of law."

POINT II

The Failure to Permit Petitioner to Confront and Cross-Examine "Confidential Informants" Was a Violation of Procedural Due Process of Law.

Respondents' refusal to permit petitioner (holding a non-sensitive, non-policy-making position in a non-sensitive agency) to confront and cross-examine witnesses who testified against him was the result of the alleged need of preventing restriction of F. B. I. investigations (Donovan & Jones, "Program For a Democratic Counter Attack to Communist Penetration of Government Service," 58 Yale L. J. 1211, 1234). Indeed the Bureau is not authorized to obtain statements under oath and informants are assured that their identity will not be revealed. Hoover, A Comment On The Article "Loyalty Among Government Employees", 58 Yale L. J. 401, 404-405.

The consequences of this policy have resulted in the following situations which actually occurred in loyalty-security proceedings: Employee "A" was charged with being "pro-Russian" in his ideas. At the hearing, the informant who had furnished this information testified that he believed that "A" had "pro-Russian ideas" because he had said that unions were desirable things and that Negroes "were entitled to as much as anyone else." Bontecou, "The Federal Loyalty-Security Program," supra, at pp. 127-130.

Employee "B" was charged with making the statement: "I prefer the Communist form of government to that which we now have." At the hearing it developed:

* " * * that the employee had been active in his local civic association and had decided to take some courses in public speaking to help him in his organizational work. In connection with these activities he did a great deal of telephoning from the agency. When he began his course he discovered that the professor had selected communism as the topic around which the class exercises would center, chiefly because he thought it would be easy for the students to find current material on this subject. During the course the employee had elipped material on communism from the papers and had assembled on his desk relevant books from the department library. The material he gathered contained some of J. Edgar Hoover's strong anti-Communist speeches and statements. The fellow employees had noticed the subject matter of the collection, had understood him to

say something on the telephone about 'the Communism we teach,' and had jumped to the conclusion that he was teaching communism to children in night school. This comedy of errors was completely cleared up through the testimony of all the witnesses at the hearing, including the informants. One of them repudiated the signed statement he had given to the FBI and denied that the employee had said, as reported, 'I prefer the Communist form of government to that which we now have.'" (Bontecou, "The Federal Loyalty-Security Program", supra, at p. 130.)

Lloyd "McBride", 15 a Navy Department civilian engineer, was accused of a sympathetic association with a woman identified as a former courier for a Soviet spy ring. This woman and McBride had lived in the same large apartment house in Washington, D. C., at about the same time. On December 8, 1954, a confidential informant who had previously furnished this information to federal investigators testified before the Navy Department's Security Hearing Board in camera. The informant testified that McBride and the "former courier" were often together and appeared to be quite friendly. Thereafter, McBride testified that he had never heard of the "former courier" prior to the receipt of the charges in his case, and from what he had recently learned of her description, had never even seen her. In the meantime, and largely through the efforts of the members of the Hearing Board, Board's. Counsel, and the Board's Security Officer, the informant agreed to confront McBride at the hearing, testify in his presence, and be cross-examined by his counsel. On December 10, 1954, the informant appeared at the hearing and identified herself as the manager of the apartment building in which McBride had resided. She testified, after

¹⁵ Navy Department Securary Hearing Board (Bureau of Ships), December 8, 9, and 10, 1954 Washington, D. C. The name "Mc-Bride" is fictitious; the true name will be supplied to the Clerk of the Court on request.

seeing McBride and identifying him as the young man seated opposite her, that the information to federal agents and her testimony before the Security Hearing Board in camera, on December 8, 1954, was erroneous and misfaken; that in fact she had never seen McBride with the "former courier"; that she must have confused him with someone else; and that she knew nothing prejudicial or detrimental about McBride except that he and his roommate had invited Negroes to attend parties in their apartment.

In the case of John Jones, 16 a respected government employee with many years service, a co-worker in ordered the FBI that he had heard Jones express Communist ideas to another employee, and that Jones had told the informant that he was going to join a subversive organization. At the hearing, on direct examination by members of the Security Hearing Board, it appeared that the only other witness to either of the alleged conversations was a third employee, since deceased, that the informant had never been displeased by anything Jones had done in their work together, and was simply doing his duty as a loyal citizen.

On cross-examination, however, the informant admitted that he could not recall the nature of the pro-Communist expressed by Jones, except that he was positive that they were pro-Communist; that he did not know what Communism was, "except that it is a form of political party which threatens world supremacy and so on and so forth"; that he did not know what the Communist Party "line" in the United States had been from 1933 to 1954 on any issue; e.g., he did not know whether the Communist Party had been opposed to or in favor of the conviction of members of the Socialist Worker's Party in 1941; whether the Communist Party had been opposed to or in favor of the candidacy of Franklin D. Roosevelt for the Fresidency in 1936;

¹⁶ The name "John Jones" is fictitious. The employee does not wish his or his agency's name to be mentioned in this brief. It therefore cannot be furnished to the Clerk of the Court.

whether the Communist Party was opposed to or in favor of the United States' entry into World War II, either. shortly before or shortly after June, 1941; and in answer to the question of Jones' counsel: "As a matter of fact, rou don't know anything about Communism at all, do you? the informant answered: "Except what I read in the news-The informant further testified that the subversive organization Jones had told him he was going to ioin was. Americans For Democratic Action, and that an attorney-friend of the informant had told him that Americans For Democratic Action was "as Communist as Russia itself." Towards the close of the cross-examination fafter it had been developed that the informant had at one time been Jones' supervisor and that thereafter. Jones had advanced rapidly in grade, becoming the informant's supervisor), the informant admitted that on several occasions Jones had taken credit for the informant's work.

With respect to a similar situation, the Joint Committee on Atomic Energy has stated:

"Case A serves as a warning that an informant may perhaps give the FBI highly unfavorable advice but when placed under oath before a local board deny all that he had said, admit that he knows little or nothing about the employee and admit further that he bore him a grudge." Report, Investigation of U.S. Atomic Energy Commission, 81st Cong., 1st Sess., (1949) at p. 68.

In the Waldeck case, 18 the employee asked the Veterans Administration for a hearing in the New York City area, his home, inasmuch as his witnesses were unable to travel to the Veterans Administration Hospital at Memphis, Tennessee, the place originally scheduled for the hearing. The request for the change of venue was denied on the ground that numerous witnesses for the government in the Mem-

¹⁸ See note 12, supra.

phis area (all or most of them employees or former employees of the Veterans Administration Hospital), had signified an intention to testify at the hearing. When the employee requested that the Board reconvene in New York City after taking the testimony of the government witnesses in Memphis, in order to hear the employee's witnesses who resided in New York, the employee was informed that this procedure was not authorized and his request denied! The employee and his counsel then travelled to Memphis, Tennessee. Immediately after the hearing commenced the employee was informed that he would not be permitted to confront or cross-examine any witness, nor be informed of their identities (although he knew who some of them were); even though the agency regulations specifically provided that the Hearing Board inform the employee of his right to cross-examine any witness offered in support of the charges and that the employee or his counsel would be permitted to cross-examine all witnesses. The reason given for this action was that while each witness had stated that he would be happy to testify against the employee in private, all of them had informed the Board that they did not "desire" to testify in the employee's presence or be crossexamined by his counsel.

The Board justified its action by interpreting the Veterans Administration regulations (which provided that the imployee be informed of his right "to cross-examine any witness offered in support of the charges" and that "reasonable cross-examination of witnesses by the employee or his counsel would be permitted"), to mean that the employee or his counsel was entitled to cross-examine only those "witnesses who appeared before the Board in his presence." Thus, an employee who had been suspended from his job without pay, travelled from New York to Memphis, Tennessee, in the sole hope of proving that his continued employment was no risk to the national security through the cross-examination of adverse witnesses, one of whom he believed by a psycopathic liar, only to find that

since no adverse witnesses "desired" to be cross-examined by his counsel, all he could do was deny under oath the charges against him.

Perhaps the most striking illustration of the desperate need for confrontation and cross-examination in these cases is to be found in the "Smith" proceeding. 10 In that case, "Smith" was charged, among other things, with having attended Communist Party meetings in 1935 and 1939. Inasmuch as counsel had already shown through documentary evidence that the other charges were false or irrelevant, the Hearing Board, displaying an extreme sense of fairless, attempted to secure permission from the FBI to release the informant's name in order to give Smith an opportunity to refute the accusation beyond mere denials. Two days before the hearing; Smith's counsel was informed that the informant's name was Captain Charles G. Bakcsy, and that the alleged Communist Party meeting in 1935 took place in Carmel, California, at the home of Ella Winter, then the wife of Lincoln Steffens. During the hearing, the Board Chairman informed "Smith" that Bakesy, on a recheck by the FBI, had withdrawn the accusation that Smith had attended a Communist Party meeting in 1939, but affirmed his prior charge that Smith had attended a meeting in 1935 at the home of Ella Winter. The Board Chairman then asked" 'Smith" why Bakesy would make such a statement if it were not true. At this point, Smith's counsel asked the Chairman if he knew that Bakesy was a perjurer. When the Chairman said that he did not, and asked counsel if he had such information, counsel asked leave to ascertain what the facts were, and an opportunity to submit evidence on this issue was granted.

Four days later, documentary evidence was submitted that Captain Charles G. Bakesy was a professional witness whose testimony on other occasions had been repeatedly and publicly rejected by government officials as incredible

¹⁹ See note 10, supra.

and unworthy of belief. Bakesy, who had offered to testify for a fee against Harry Bridges in the 1939 Bridges' deportation proceedings and whose offer had been refused by the West Coast Immigration Director, turned up at the hearing as a defense witness for Bridges. Dean Landis, the trial examiner in the Bridges case stated at p. 74 of the 'Findings and Conclusions of The Trial Examiner," (a government document printed by the United States Printing Office):

"Bakesy testified to other matters also, but his testimony need not be reviewed. Bakesy failed to carry conviction to the examiner. It is impossible to separate truth from fiction in his testimony. It was bizarre and at times fantastic. It seems best not to permit the testimony of either Captain or Mrs. Bakesy to play a real part in reaching such ultimate conclusions as must be reached in connection with the matters that are at issue in this proceeding."

If we assume, for the sake of argument only, that Captain Bakesy was one of the unidentified informants who testified in secret before the Loyalty Board in Petitioner's hearing ain the case at bar, the absence of cross-examination and an opportunity to rebut a fantastic accusation made by him against Petitioner resulted in an incredible miscarriage of justice, completely abhorrent to every one of our traditional concepts of "fair-play." For all Petitioner knows, Captain Bakesy or someone just like him, either testified against him or otherwise supplied the information which resulted in the Loyalty Board's determination that Petitioner was disloyal.

The occasions in judicial history, even in systems in which hearsay evidence is permitted, where this sort of material has been considered as "evidence," are remembered today only as examples of the perversion of the principles of justice. Cf. Pierre Dreyfus, The Dreyfus Case, 26 (1937); United States v. Joseph Alstoetter, et al., Vol. III, Var Crimes at Nuremberg ("The Justice Case"), at p.

1024. This then, is the sorry record resulting from the alleged need of preventing restriction of FBI investigations; the justification being the "national security interest" involved in keeping the identity of confidential informants secret

We respectfully submit that in the case of the employee holding a "non-sensitive," "non-policy-making" position, there is neither necessity nor justification for withholding one iota of confidential information, for for refusing the employee the right to cross-examine each and every adverse witness. If the government would be embarrassed by such & disclosure, the charge on which it is based should be with-drawn 21—in the "non-sensitive" positions there is no need to tolerate an obliteration of the Constitution and the essence of fair procedures. In "sensitive" jobs, which involve either access to classified material or other information important to national defense and foreign relations, or in "policy-making" positions in these areas, the profes-'sional or "under-cover" informant should be separated from neighbors, maiden-aunts, and casual busybodies who have no legitimate reason for secrecy. 1, 22 . If it be claimed in answer to this simple solution that the private citizen would then be unwilling to supply testimony important to the safety of the nation, Congress has ample anthority to give loyalty-security boards the power of subplena. Poorly drawn, slip-shod and politically expedient loyalty-security regulations do not sit well in answer to the documented claim that the fundamental liberties of so many people are

fast becoming as extinct as the bison.

²¹ Cf. United States v. Coplon (2 Cir.), 185 F. 2d 629.

²² Lewis, Our Security Procedures Need Not Be Unfair, "The Reporter", November 4, 1954, at p. 23.